



**Auditor of State  
Betty Montgomery**



**HOLMES COUNTY**

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## **Auditor of State Betty Montgomery**

### **INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Holmes County  
2 Court Street  
Millersburg, Ohio 44654

To the County Commissioners:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of Holmes County, Ohio, (the County) as of and for the year ended December 31, 2003 which collectively comprise the County's basic financial statements and have issued our report thereon dated July 23, 2004 in which we noted the financial statements of the County's Enterprise Hospital major fund were audited by other auditors. In addition, we noted the County adopted Governmental Accounting Standards Board Statement No. 34 and restated its Public Assistance Fund balance and County Disposal Fund fund equity. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### **Compliance**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to the County's management in a separate letter dated July 23, 2004.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to the County's management in a separate letter dated July 23, 2004.

This report is intended for the information and use of the audit committee, management, the County Commissioners, and Federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

July 23, 2004



**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH OF ITS MAJOR FEDERAL PROGRAMS AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Holmes County  
2 Court Street  
Millersburg, Ohio 44654

To the County Commissioners:

**Compliance**

We have audited the compliance of Holmes County, Ohio, (the County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2003. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2003.

However, we noted certain other instances of noncompliance that do not require inclusion in this report that we have reported to the County's management in a separate letter dated July 23, 2004.

### **Internal Control Over Compliance**

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over federal compliance that do not require inclusion in this report, that we have reported to the County's management in a separate letter dated July 23, 2004.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate discretely presented component units and remaining fund information of the County as of and for the year ended December 31, 2003, and have issued our report thereon dated July 23, 2004 in which we noted the financial statements of the County's Enterprise Hospital major fund were audited by other auditors. In addition, we noted the County adopted Governmental Accounting Standards Board Statement No. 34 and restated its Public Assistance Fund balance and County Disposal Fund fund equity. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of the audit committee, management, the County Commissioners, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

July 23, 2004



HOLMES COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Number	Expenditures
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>Passed through the Ohio Department of Education:</i>			
Special Education Cluster:			
Special Education_Grants to States	84.027	066403-6BSF-2003-P	\$50,624
Special Education_Preschool Grants	84.173	066043-PGSI-2003-P	48,946
Total Special Education Cluster			99,570
Innovative Education Program Strategies	84.298	066043-C2S1-2003	1,146
<i>Passed through the Ohio Department of Health:</i>			
Special Education _Grants for Infants and Families with Disabilities	84.181	38-1-002-1-EG-03	25,706
Special Education _Grants for Infants and Families with Disabilities	84.181	38-1-002-1-EG-04	957
			26,663
<b>Total U.S. Department of Education</b>			<b>127,379</b>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>			
<i>Passed through the Ohio Department of Development:</i>			
Community Development Block Grants/State's Program	14.228	B-F-02-035-1	197,000
Community Development Block Grants/State's Program		B-C-02-035-1	164,108
			361,108
HOME Investment Partnerships Program	14.239	B-C-00-035-2	107,742
<b>Total U.S. Department of Housing and Urban Development</b>			<b>468,850</b>
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>			
<i>Passed through the Ohio Office of Criminal Justice Services:</i>			
Crime Victim Assistance	16.575	2004-VA-GEN-E274	46,628
<b>Total U.S. Department of Justice</b>			<b>46,628</b>
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>			
<i>(Direct)</i>			
State Domestic Preparedness Equipment Support Program	97.004		113,341
State and Local All Hazardous Emergency Operations Planning	97.051		7,914
<b>Total U.S. Department of Homeland Security</b>			<b>121,255</b>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>			
<i>Passed through the Ohio Department of Mental Retardation and Development Disabilities:</i>			
Social Services Block Grant	93.667	N/A	31,463
Medical Assistance Program	93.778	N/A	355,902
<b>Total U.S. Department of Health and Human Services</b>			<b>387,365</b>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed through the Ohio Department of Education:</i>			
National School Lunch Program	10.555	N/A	4,622

HOLMES COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Number	Expenditures
<b>U.S. DEPARTMENT OF LABOR</b>			
<i>Passed through the Ohio Department of Job and Family Services:</i>			
WIA Adult Program	17.258	N/A	80,582
WIA Youth Activities	17.259	N/A	72,603
WIA Dislocated Workers	17.260	N/A	<u>82,172</u>
Total Workforce Investment Act Cluster			<u>235,357</u>
<b>Total U.S. Department of Labor</b>			<b><u>235,357</u></b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
<i>Passed through the Ohio Department of Transportation:</i>			
Highway Planning and Construction	20.205	N/A	75,500
Job Access_Reverse Commute	20.516	JAR-4038-022-031	<u>37,140</u>
			112,640
<b>Federal Aviation Administration (FAA)</b>			
<i>Direct:</i>			
Airport Improvement Program	20.106		80,114
			<u>9,289</u>
<b>Total U.S. Department of Transportation</b>			<b><u>202,043</u></b>
<b>Total</b>			<b><u><u>\$1,593,499</u></u></b>

The notes to this schedule are an integral part of this schedule.

**HOLMES COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The Schedule of Expenditures of Federal Awards (the Schedule) summarizes activity of the County's federal award programs. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - U.S. DEPARTMENT OF HOMELAND SECURITY FEDERAL AWARDS**

The Federal Homeland Security Act of 2002 established the Department of Homeland Security (the Department) to consolidate functions of other Federal agencies related to homeland security. Effective January 24, 2003, the Department began to administer certain Federal awards the County previously received from other Federal agencies. The accompanying Schedule of Expenditures of Federal Awards reports all such 2003 award amounts under the Department's Catalog of Federal Domestic Assistance (CFDA) numbers. The purposes and compliance requirement of these programs has not changed.

**NOTE C - MATCHING REQUIREMENTS**

Certain Federal programs require that the County contribute non-Federal funds (matching funds) to support the Federally-funded programs. The County has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.

HOLMES COUNTY

SCHEDULE OF FINDINGS  
 OMB CIRCULAR A -133 §.505  
 DECEMBER 31, 2003

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Community Development Block Grant (Entitlement Program), CFDA #14.228, Home Investment Partnerships Program (HOME), CFDA #14.239
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
 REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS FOR FEDERAL AWARDS**

None

HOLMES COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2003

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b>Explain:</b>
Finding number 2002-001	The County did not have adequate controls in place to properly monitor leave accrual, usage and balances	Yes	N/A



COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

OF

HOLMES COUNTY, OHIO

FOR THE

YEAR ENDED DECEMBER 31, 2003

PREPARED BY  
AUDITOR'S OFFICE  
JACKIE MCKEE, AUDITOR





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**HOLMES COUNTY, OHIO**

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**HOLMES COUNTY, OHIO**

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**HOLMES COUNTY, OHIO**

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**HOLMES COUNTY, OHIO**

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# Jackie McKee

## Holmes County Auditor

Clinton Street Office Building • 75 East Clinton Street, Suite 107 • Millersburg, Ohio 44654  
Phone: (330) 674-1896 • Fax: (330) 674-9428

July 23, 2004

The Honorable David L. Hall  
The Honorable Joe Miller  
The Honorable Richard A. Graven

The Citizens of Holmes County:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of Holmes County (the "County") for the year ended December 31, 2003. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the County.

The information contained in the report is designed to assist County Officials in making management decisions and to provide the taxpayers of the County with comprehensive financial data in such a format as to enable them to gain a true understanding of the County's financial affairs. The general public, as well as investors, will be able to compare the financial position of the County and the results of its operations with other government entities. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the County, specifically the County Auditor's Office.

This is the twelfth consecutive CAFR issued by the County Auditor's office. The report is prepared in accordance with Accounting Principles Generally Accepted in the United States of America (GAAP), as set forth by the Government Accounting Standards Board (GASB) and other authoritative sources, and the guidelines set by the Government Finance Officers Association (GFOA).

The CAFR is presented in three sections:

- The introductory section includes this letter of transmittal, a list of the County's elected officials, the County's organization chart, and the 2002 GFOA Certificate of Achievement for Excellence in Financial Reporting.
- The financial section includes the independent accountants' report, a management's discussion and analysis, the basic financial statements and notes, the combining statements for nonmajor funds and other relevant supplemental financial statements and individual fund schedules for 2003.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

### The County and Form of Government

The County, located in Northeast Ohio, was named for Andrew Hunter Holmes. He was a major in the United States Army who was killed during the War of 1812. In its present form, Holmes County encompasses about 424 square miles (265,640 acres). The County includes 7 villages and 14 townships. With the exception of German Township, which was renamed Clark Township in 1918, the territory of each township is the same today as when the County first was organized.

A mostly rural County, Holmes has seen slow, steady growth throughout much of its history. Holmes County is known for the wide variety of products originating from its fertile soil. Today, it is a hotbed of summer tourist activities, thanks in part to a renewed interest in the Amish and their simple lifestyle.

Ohio statutes impose the legislative, financial and judicial powers of the County. The legislative body of the County is comprised of a three member Board of County Commissioners who are elected at large for overlapping four-year terms. The Board of Commissioners serves as the taxing authority, the contracting body and the chief administrators of public services for the County. The Board of Commissioners creates and adopts the annual operating budget, including all appropriation measures, and approves all expenditures of all County funds. In addition to the Board of Commissioners, the offices of the County Auditor and County Treasurer perform the various financial functions of the County government.

The County Auditor, who is elected to a four-year term, serves as the chief fiscal officer for the County and the tax assessor for all political subdivisions within the County. As the chief fiscal officer, no contract or obligation involving the County can be made without the Auditor's certification that appropriations are sufficient and that funds are available to ensure that the contract or obligation can be paid. The Auditor is also the central disbursing agent of the County, who, by the issuance of county warrants, distributes funds to creditors in payment of liabilities, including payroll, incurred by the County and its departments. As tax assessor, the County Auditor is responsible for establishing the tax rates for real estate, personal property and manufactured homes. Once these taxes are collected, the County Auditor is responsible for distributing those collections to other governmental entities in accordance with legally adopted rates. The County Auditor also serves the secretary of the County Board of Revision and of the County Budget Commission.

The County Treasurer, also elected to a four-year term, is the custodian of all County funds. The County Treasurer is responsible for the investment of all idle County Funds, as specified by Ohio law. The County Treasurer is also responsible for collecting all tax monies and applying those payments to the appropriate tax accounts. Daily reconciliation of the total County fund balances of the County Auditor and the County Treasurer are performed by the two offices, and reconciliation on a fund-by-fund basis are prepared monthly. The County Treasurer, the County Auditor and the County Prosecutor comprise the County Budget Commission. The Budget Commission plays an important function in the financial administration of the County's government and all other local governments within the County.

Other elected officials include the County Prosecutor, the Engineer, the Recorder, the Sheriff, the Clerk of Courts, the Coroner, the Common Pleas Judge, the Probate and Juvenile Judge, and the County Court Judge.

### **The Reporting Entity**

The County's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity." The basic financial statements contained within this CAFR include all funds, agencies, boards, and commissions for which the County (the reporting entity) is financially accountable. The County provides a wide range of general government services to its residents which include: human and social services, health and community assistance related services, civil and criminal justice systems, road and bridge maintenance and other general legislative and administrative support service. In addition, the County operates certain enterprise funds, which include a water district, a sewer district, County disposal (landfill) and a hospital.

The County's reporting entity includes the financial activities of the Children Services Board, the Board of Mental Retardation and Developmental Disabilities (MR/DD), the Department of Job and Family Services (Public Assistance), the Joel Pomerene Hospital, the Rails-to-Trails Coalition Agency, and all departments and activities that are directly operated by the elected County officials.

Organizations that are legally separate from the County are included if the County's elected officials appoint a voting majority of the organization's governing body and either the County has the ability to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County. The County may also be financially accountable for governmental organizations that are fiscally dependent on it.

Component units are legally separate organizations which are fiscally dependent on the County or for which the County is fiscally accountable. The County reports the Lynn Hope Industries, Inc., the Holmes County Airport Authority and the Holmes County Regional Planning Commission as discretely presented component units.



The County is also associated with the following organizations:

Joint Ventures Without Equity Interest

Alcohol, Drug Addition and Mental Health Services Board of Wayne and Holmes Counties

Jointly Governed Organizations

Multi-County Juvenile Attention Center  
Stark Regional Community Corrections Center  
Holmes County Family and Children First Council

Public Entity Risk Pools

County Risk Sharing Authority, Inc.  
County Commissioners Association of Ohio Workers' Compensation Group Rating Plan

Related Organizations

Holmes County Public Library  
Holmes County Park District  
Northeast Ohio Outreach Network

The County also serves as fiscal officer and custodian of funds but is not accountable for the following organizations:

Holmes County District Board of Health  
Holmes County Soil and Water Conservation District

The operations of the two above mentioned agencies have been excluded from the County's basic financial statements, but the funds held on their behalf in the County Treasury are included in the agency funds.

A complete discussion of the County's reporting entity is provided in Note 2.A. of the basic financial statements.

### **Economic Condition and Outlook**

Holmes County is a predominantly rural county and has no large metropolitan or densely populated areas. Manufacturing, farming and tourism are the biggest contributors to the County's economy. Much of the manufacturing economy is the result of small scale operations, particularly in woodworking, that are often called "cottage industries". As in many rural areas, farmland preservation has become an issue in the County, and its effect on the future development of all segments of an area's economy cannot be ignored. With a low rate of unemployment, durable farming and tourism industries and a healthy base of cottage and light industry, the Holmes County economy is well positioned to face the challenges of future budget issues.

2003 was the tenth year in which a hotel/motel bed tax was put into effect on a County level. The number of hotel/motel facilities paying the tax is 28. The Holmes County Commissioners passed a resolution effective June 1, 2001, increasing the bed tax 2 percent to a total of 3 percent. The additional 1 percent goes directly to Travel and Tourism Bureau and the other 1 percent is set aside in a fund to be used for Bed Tax Grants. Monies collected in 2003 for the bed tax were the highest recorded due to the increase in percentage, increasing from \$282,699 in 2002 to \$289,897 in 2003. A total of \$55,825 was distributed to organizations for community projects.

The financial woes of the State of Ohio continue to trickle down to the County level. With some funding cuts or freezes from the State to the County, it will make the budget process for the County more challenging. The State of Ohio continued to work on balancing their budget and has cut many programs and funding to the local governments.

### New Construction

New construction of agricultural, residential, industrial and commercial properties is perhaps the best barometer for economic growth in the County. Below is a chart depicting the steady growth for the past seven years.

Year		Agriculture	Residential	Industrial	Commercial	Total
2004	Assessed	\$ 4,279,710	\$ 11,290,310	\$ 2,356,280	\$ 6,770,240	\$ 24,696,540
	Estimated					
	Actual	12,227,742	32,258,028	6,732,228	19,343,542	70,561,540
2003	Assessed	\$ 4,253,230	\$ 9,689,060	\$ 388,950	\$ 3,467,130	\$ 17,798,370
	Estimated					
	Actual	12,152,086	27,683,029	1,111,286	9,906,086	50,852,487
2002	Assessed	\$ 4,161,740	\$ 8,109,080	\$ 285,520	\$ 2,080,460	\$ 14,636,800
	Estimated					
	Actual	11,890,686	23,168,800	815,771	5,944,171	41,819,428
2001	Assessed	\$ 3,966,810	\$ 8,459,040	\$ 842,160	\$ 3,196,460	\$ 16,464,470
	Estimated					
	Actual	11,333,573	24,168,323	2,406,135	9,132,606	47,040,637
2000	Assessed	\$ 3,883,340	\$ 5,376,640	\$ 78,270	\$ 2,072,680	\$ 11,410,930
	Estimated					
	Actual	11,095,257	15,361,829	223,629	5,921,943	32,602,658
1999	Assessed	\$ 3,272,240	\$ 6,356,310	\$ 397,760	\$ 653,850	\$ 10,680,160
	Estimated					
	Actual	9,349,260	18,160,890	1,136,460	1,868,140	30,514,750
1998	Assessed	\$ 3,532,330	\$ 6,696,390	\$ 183,820	\$ 1,239,760	\$ 11,652,300
	Estimated					
	Actual	10,092,370	19,132,540	525,200	3,542,170	33,292,280

### Fund Accounting

The County's accounts are organized as funds. Each fund is a separate accounting entity with its own self-balancing set of accounts, assets, liabilities, and fund equity. Following are the titles of these funds with a brief description.

Governmental funds:

*General Fund* - The general fund is the general operating fund of the County. It is used to account for all financial resources traditionally associated with government which are not required to be accounted for in another fund.

*Special Revenue Funds* - The special revenue funds are used to account for revenues derived from specific taxes, grants, or other restricted revenue sources. County ordinances or federal or state statutes specify the uses and limitations of each special revenue fund. During 2003, the County had 36 (thirty-six) special revenue funds.

*Debt Service Fund* - The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. During 2003, the County had 1 (one) debt service fund.

*Capital Projects Funds* - The capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. During 2003, the County had 7 (seven) capital projects funds.

Proprietary funds:

*Enterprise Funds* - The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises; where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The County has 4 (four) separate enterprise funds for a water district, sewer district, County disposal (landfill) and a hospital.

Fiduciary funds:

*Agency Funds* - Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The County had 27 (twenty-seven) agency funds during 2003. The County does not have any trust funds.

### **Basis of Accounting**

Except for budgetary purposes, the basis of accounting used by the County conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and are consistent with GASB Cod. Sec. 1600, *Basis of Accounting*. All governmental funds are accounted for using a current financial resources-current assets and current liabilities-measurement focus. The modified accrual basis of accounting is utilized for governmental funds. Revenues are recognized when they are susceptible to accrual (both measurable and available). Expenditures are recognized when the related liability is incurred, except for interest on long-term debt which is recorded when due.

The measurement focus on the County's proprietary funds is on the flow of total economic resources (all assets and liabilities). The accrual basis of accounting (revenues are recognized when earned and expenses when incurred) is utilized by the County in its proprietary and agency funds.

The County's basis of accounting for budgetary purposes differs from GAAP in that revenues are recognized when received, rather than when susceptible to accrual (measurable and available), and encumbrances are included as expenditures rather than as reservations of fund balances.

For the year ended December 31, 2003, the County has changed its financial reporting to comply with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The government-wide financial statements, including governmental activities, in order to comply with GASB Statement No. 34, are presented on the full accrual basis of accounting. As part of this new reporting model, management is responsible for preparing a management's discussion and analysis. This discussion follows the independent accountants' report, providing an assessment of the County's finances for 2003.

Accounting policies are further explained in Note 2 to the basic financial statements.

### **Internal Controls**

In developing the accounting system, the County gave much consideration to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The County uses a fully-automated accounting system as well as automated systems of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment by the accounting department of the Auditor's Office, help insure that the financial information generated is both accurate and reliable.

### **Budgetary Controls**

The Board of County Commissioners adopts an annual appropriation measure for the County at the end of December for the coming year. This appropriation is sometimes called a temporary appropriation. Usually by mid-February but before April 1, permanent appropriations are approved which take into consideration the balances left from the prior year as well as any revisions in revenue estimated for the year. All disbursements and transfers of cash between funds require appropriation authority. Budgets are controlled at the object level within a department and fund. Purchase orders are approved by the department heads and by the Commissioners for departments under their control and are encumbered prior to their release to vendors. Those purchase orders which exceed the available appropriations are rejected until additional appropriations are secured. A computerized certification system allows the Auditor's Office to ascertain the status of a department's appropriations prior to authorizing additional purchases from a particular account.

### **Independent Audit**

Included in this report is an unqualified audit opinion rendered on the County's financial statements as of and for the year ended December 31, 2003, by independent auditor, Betty Montgomery, Auditor of State. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1996 and related OMB Circular A-133.

The County plans to continue to subject its financial statements to an annual independent audit as part of the preparation of a CAFR. An annual audit serves to maintain and strengthen the County's accounting and budgetary controls.

### **Awards**

The Governmental Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Holmes County, Ohio, for its comprehensive annual financial report for the year ended December 31, 2002. This was the eleventh consecutive year that the County received this prestigious award. In order to be awarded a Certificate of Achievement, the government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such reports must satisfy both GAAP and all applicable legal requirements.

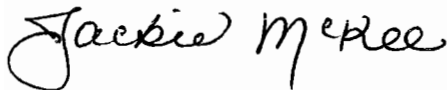
A Certificate of Achievement is valid for a period of one-year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements, and we are again submitting it to the GFOA to determine its eligibility to receive the certificate, which is the highest form of recognition in the area of governmental financial reporting.

### **Acknowledgments**

The publication of this report is the culmination of many hours of dedicated work by the fiscal department of the Office of the Holmes County Auditor. The effort made by various department heads and their staff in compiling the needed data is greatly appreciated again this year. Appreciation is in order for our consultants, Trimble, Julian & Grube, Inc., for their cooperation and technical guidance in completing the County's twelfth consecutive CAFR.

I thank the citizens of Holmes County for supporting our efforts to provide sound financial management.

Sincerely,



Jackie McKee  
Holmes County Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Holmes County,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

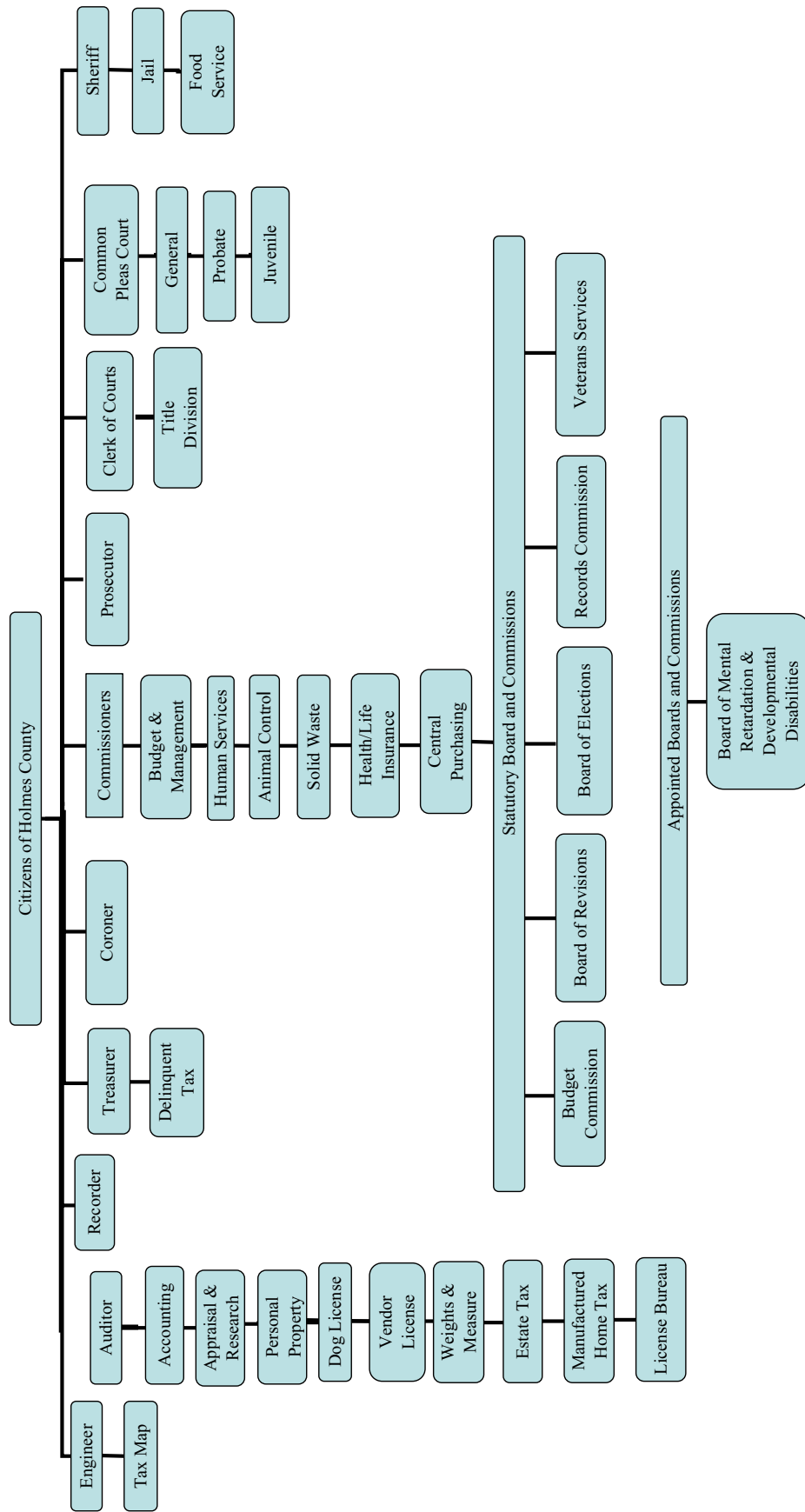
Executive Director

**HOLMES COUNTY, OHIO**

**ELECTED OFFICIALS  
DECEMBER 31, 2003**

Commissioner . . . . . David L. Hall  
Commissioner . . . . . Joe Miller  
Commissioner . . . . . Richard A. Graven  
Auditor. . . . . Jackie McKee  
Treasurer. . . . . Joyce L. Yoder  
Prosecuting Attorney . . . . . Robert D. Rinfret  
Common Pleas Judge . . . . . Thomas D. White  
Probate and Juvenile Judge . . . . . Thomas C. Lee  
County Court Judge . . . . . Jane Irving Baserman  
Clerk of Courts . . . . . Dorcas L. Miller  
Coroner . . . . . Robert J. Anthony, MD  
Sheriff . . . . . Timothy W. Zimmerly  
Recorder . . . . . Sally E. Miller  
Engineer . . . . . Christopher R. Young

**HOLMES COUNTY, OHIO  
ORGANIZATION CHART**



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## **Financial Section**





**Auditor of State  
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT**

Holmes County Commissioners  
Holmes County  
2 Court Street  
Millersburg, Ohio 44654

To the County Commissioners:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Holmes County, Ohio, (the County) as of and for the year ended December 31, 2003, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Joel Pomerene Memorial Hospital, a major Enterprise fund, which represents 78% and 96%, respectively, of the assets and revenues of the County's business-type activities. Other auditors audited those financial statements. They have furnished their report thereon to us, and we base our opinion, insofar as it relates to the amounts included for Joel Pomerene Memorial Hospital, on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of the County as of December 31, 2003, and the respective changes in the financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and Special Revenue County Board of MR/DD, Motor Vehicle License and Gas Tax, Public Assistance and County Home funds thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended December 31, 2003, the County implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

111 Second St., NW / Fourth Floor / Canton, OH 44702  
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

As further described in Note 3, for the year ended December 31, 2003, the County restated its Public Assistance Fund balance as of December 31, 2002 to correct an overstatement of Equity in Pooled Cash and Cash Equivalents. In addition, the County restated its County Disposal Fund fund equity as of December 31, 2002 to correct an overstatement of landfill closure and postclosure care liability.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 23, 2004, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to form opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables are presented for additional analysis and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We and the other auditors did not subject the Introductory and Statistical Sections to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



**Betty Montgomery**  
Auditor of State

July 23, 2004

## HOLMES COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2003 UNAUDITED

The discussion and analysis of Holmes County's (the "County") financial performance provides an overall review of the County's financial activities for the year ended December 31, 2003. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and the basic financial statements to enhance their understanding of the County's financial performance.

#### Financial Highlights

Key financial highlights for 2003 are as follows:

- The total net assets of the County increased \$3,209,994. Net assets of governmental activities increased \$1,455,100, which represents a 4.92% increase over fiscal year 2002. Net assets of business-type activities increased \$1,754,894 or 9.41% from fiscal year 2002.
- General revenues accounted for \$12,009,597 or 43.98% of total governmental activities revenue. Program specific revenues accounted for \$15,299,132 or 56.02% of total governmental activities revenue.
- The County had \$25,853,619 in expenses related to governmental activities; \$15,299,132 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$12,019,597 were adequate to provide for these programs.
- The general fund, the County's largest major governmental fund, had revenues of \$9,073,091 in 2003, an increase of \$228,450 or 2.58% from 2002 revenues. The general fund, had expenditures of \$8,480,951 in 2003, an increase of \$914,766 or 12.09% from 2002. The larger increase in expenditures and the smaller increase in revenues contributed to the general fund balance decrease of \$341,329 from 2002 to 2003.
- The County Board of MR/DD fund, a major governmental fund, had revenues of \$4,758,931 in 2003, a decrease of \$52,829 or 1.10% from 2002 revenues. The mental retardation fund, had expenditures of \$4,796,498 in 2003, an increase of \$245,580 or 5.40% from 2002. The increase in expenditures, the decrease in revenues, and transfers out contributed to the County Board of MR/DD fund balance decrease of \$147,567 from 2002 to 2003.
- The Motor Vehicle License and Gas Tax fund, a major governmental fund, had revenues of \$3,239,450 in 2003, an increase of \$117,247 or 3.76% from 2002 revenues. The motor vehicle license and gas tax fund, had expenditures of \$3,306,841 in 2003, an increase of \$348,997 or 11.80% from 2002. The larger increase in expenditures and the smaller increase in revenues contributed to the Motor Vehicle License and Gas Tax fund balance decrease of \$67,391 from 2002 to 2003.
- The Public Assistance fund, a major governmental fund, had revenues of \$2,792,725 in 2003, an increase of \$998,011 or 55.61% from 2002 revenues. The public assistance fund, had expenditures of \$2,244,160 in 2003, an increase of \$156,646 or 7.50% from 2002. The larger increase in revenues, the smaller increase in expenditures, and transfers in contributed to the Public Assistance fund balance increase of \$645,668 from 2002 to 2003.
- The County Home fund, a major governmental fund, had revenues of \$1,398,785 in 2003. The County Home fund, had expenditures of \$1,371,008 in 2003. The County Home fund balance increased \$27,777 from 2002 to 2003.
- Net assets for the business-type activities, which are made up of the Sewer District, East Holmes Water, County Disposal and Joel Pomerene Hospital enterprise funds, increased in 2003 by \$1,754,894. This increase in net assets was mainly due to adequate charges for services revenue to cover operating expenses.

## HOLMES COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2003 UNAUDITED

- In the general fund, the actual revenues came in \$446,611 higher than they were originally budgeted and actual expenditures were \$548,631 less than the amount in the original budget. These positive variances are a result of the County's conservative budgeting process.

#### **Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the County as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole County, presenting both an aggregate view of the County's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the County's most significant funds with all other nonmajor funds presented in total in one column. In the case of the County, there are five major governmental funds. The general fund is the largest major fund.

#### **Reporting the County as a Whole**

##### *Statement of Net Assets and the Statement of Activities*

The Statement of Net Assets and the Statement of Activities answer the question, "How did we do financially during 2003?" These statements include *all assets, liabilities, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the County's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the County as a whole, the financial position of the County has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the County's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, and other factors.

In the Statement of Net Assets and the Statement of Activities, the County is divided into two distinct kinds of activities:

**Governmental Activities** - Most of the County's programs and services are reported here including human services, health, public safety, public works and general government. These services are funded primarily by taxes and intergovernmental revenues including federal and state grants and other shared revenues.

**Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided.

#### **Reporting the County's Most Significant Funds**

##### *Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

## HOLMES COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2003 UNAUDITED

Fund financial reports provide detailed information about the County's major funds. The County uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the County's most significant funds. The County's major governmental funds are the general fund, Motor Vehicle License and Gas Tax, County Board of Mental Retardation and Developmentally Disabled (MR/DD), Public Assistance and County Home. The County's major enterprise funds are the Sewer District, East Holmes Water, County Disposal and Joel Pomerene Hospital. The analysis of the County's major governmental and proprietary funds begins on page F10.

#### ***Governmental Funds***

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages F22-F28 and the budgetary statements for the general and major special revenue funds can be found on pages F29-F33 of this report.

#### ***Proprietary Funds***

The County maintains only one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its sewer district, water district, disposal district and the Joel Pomerene hospital operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County has no internal service funds. The basic proprietary fund financial statements can be found on pages F34-F41 of this report.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the County's only fiduciary fund type. The basic fiduciary fund financial statement can be found on page F42 of this report.

**HOLMES COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED

***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages F43-F88 of this report.

**Government-Wide Financial Analysis**

Recall the Statement of Net Assets provides the perspective of the County as a whole. This is the first year for government-wide financial statements using the full accrual basis of accounting; therefore a comparison with prior years is not available. A comparative analysis will be provided in future years when prior year information is available. The table below provides a summary of the County's net assets for 2003.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
	<u>2003</u>	<u>2003</u>	<u>2003</u>
<b><u>Assets</u></b>			
Current and other assets	\$ 20,667,080	\$ 14,134,125	\$ 34,801,205
Capital assets	<u>23,843,225</u>	<u>14,806,419</u>	<u>38,649,644</u>
Total assets	<u>44,510,305</u>	<u>28,940,544</u>	<u>73,450,849</u>
<b><u>Liabilities</u></b>			
Long-term liabilities outstanding	6,187,369	6,108,475	12,295,844
Other liabilities	<u>7,265,010</u>	<u>2,434,146</u>	<u>9,699,156</u>
Total liabilities	<u>13,452,379</u>	<u>8,542,621</u>	<u>21,995,000</u>
<b><u>Net Assets</u></b>			
Invested in capital assets, net of debt	18,521,225	10,518,569	29,039,794
Restricted	10,769,848	-	10,769,848
Unrestricted	<u>1,766,853</u>	<u>9,879,354</u>	<u>11,646,207</u>
Total net assets	<u>\$ 31,057,926</u>	<u>\$ 20,397,923</u>	<u>\$ 51,455,849</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2003, the County's assets exceeded liabilities by \$51,455,849. This amounts to \$31,057,926 in governmental activities and \$20,397,923 in business-type activities. The County's finances remained strong during 2003, despite the decline in the economy.

Capital assets reported on the government-wide statements represent the largest portion of the County's assets. At year-end, capital assets represented 52.74% of total governmental and business-type assets. Capital assets include land, buildings and improvements, equipment, vehicles, construction in progress and infrastructure. Capital assets, net of related debt to acquire the assets at December 31, 2003, was \$29,039,794. These capital assets are used to provide services to citizens and are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2003, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.



**HOLMES COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED

A portion of the County's net assets, \$10,769,848 or 20.93%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of governmental activities unrestricted net assets of \$1,766,853 may be used to meet the government's ongoing obligations to citizens and creditors.

The table below shows the changes in net assets for fiscal year 2003. Since this is the first year the County has prepared financial statements following GASB Statement No. 34, revenue and expense comparisons to fiscal year 2002 are not available. A comparative analysis will be provided in future years when prior year information is available.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
	<u>2003</u>	<u>2003</u>	<u>2003</u>
<b><u>Revenues</u></b>			
Program revenues:			
Charges for services and sales	\$ 4,439,975	\$ 24,983,931	\$ 29,423,906
Operating grants and contributions	10,567,126	-	10,567,126
Capital grants and contributions	292,021	-	292,021
General revenues:			
Property taxes	5,514,831	-	5,514,831
Sales tax	4,494,544	-	4,494,544
Unrestricted grants	1,060,162	-	1,060,162
Investment earnings	312,680	16,352	329,032
Other	627,380	36,989	664,369
Total revenues	<u>27,308,719</u>	<u>25,037,272</u>	<u>52,345,991</u>
<b><u>Expenses</u></b>			
Program expenses:			
General government			
Legislative and executive	4,046,800	-	4,046,800
Judicial	1,604,791	-	1,604,791
Public safety	4,116,338	-	4,116,338
Public works	4,129,490	-	4,129,490
Health	172,457	-	172,457
Human services	10,816,474	-	10,816,474
Conservation and recreation	419,284	-	419,284
Intergovernmental	220,981	-	220,981
Other	880	-	880
Interest and fiscal charges	326,124	-	326,124
East Holmes Water	-	8,773	8,773
Sewer District	-	732,630	732,630
County Disposal	-	433,900	433,900
Joel Pomerene Hospital	-	22,107,075	22,107,075
Total expenses	<u>25,853,619</u>	<u>23,282,378</u>	<u>49,135,997</u>
Increase in net assets	<u>\$ 1,455,100</u>	<u>\$ 1,754,894</u>	<u>\$ 3,209,994</u>

**HOLMES COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

**Governmental Activities**

Governmental assets increased by \$1,455,100 in 2003 over 2002. This slight increase is due to expenses increasing faster than revenues in 2003 compared to 2002.

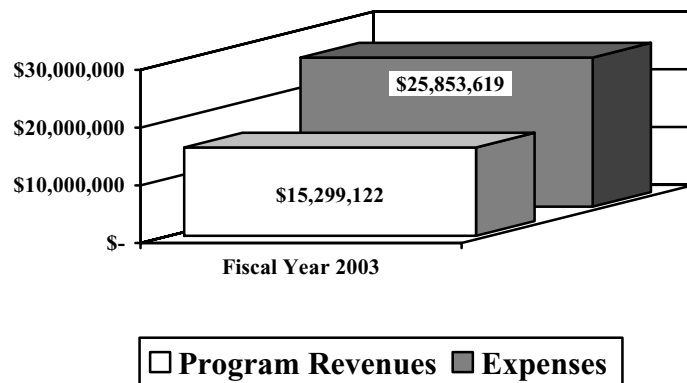
Human services, which supports the operations of the County Home, County Board of MR/DD, Job and Family Services (Public Assistance), Veteran Services, and the Children Services Board, accounts for \$10,816,474 of expenses, or 41.84% of total governmental expenses of the County. These expenses were funded by \$1,401,057 in charges to users of services in 2003. General government expenses which includes legislative and executive and judicial programs, accounted for \$5,651,591 or 21.86% of total governmental expenses. General government expenses were covered by \$2,248,443 of direct charges to users in 2003.

The state and federal government contributed to the County revenues of \$10,567,126 in operating grants and contributions and \$292,021 in capital grants and contributions. These revenues are restricted to a particular program or purpose. Of the total, operating grants and contributions, \$6,038,712, or 57.15%, subsidized human services programs.

General revenues totaled \$12,009,597, and amounted to 43.98% of total revenues. These revenues primarily consist of property and sales tax revenue of \$10,009,375, or 83.34% of total general revenues in 2003. The other primary source of general revenues is grants and entitlements not restricted to specific programs, with local government and local government revenue assistance making up \$1,060,162, or 8.82% of the total. In August 2002, the state placed a freeze on local government and local government revenue assistance to be distributed to local governments in 2003.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2003. That is, it identifies the cost of these services supported by general revenues (such as tax revenue and unrestricted state grants and entitlements). As can be seen in the graph below, the County is reliant upon general revenues to finance operations as program revenues are not sufficient to cover total expenses.

**Governmental Activities – Program Revenues vs. Total Expenses**



**HOLMES COUNTY, OHIO**

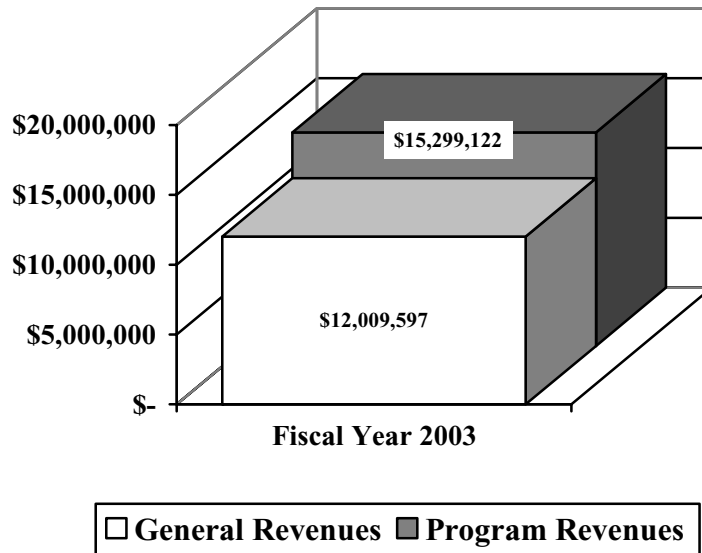
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

**Governmental Activities**

	Total Cost of Services <u>2003</u>	Net Cost of Services <u>2003</u>
Expenses:		
General government		
Legislative and executive	\$ 4,046,800	\$ 1,417,008
Judicial	1,604,791	1,254,251
Public safety	4,116,338	3,605,775
Public works	4,129,490	111,492
Health	172,457	63,696
Human services	10,816,474	3,376,705
Conservation and recreation	419,284	177,585
Intergovernmental	220,981	220,981
Other	880	880
Interest and fiscal charges	<u>326,124</u>	<u>326,124</u>
 Total	 <u>\$ 25,853,619</u>	 <u>\$ 10,554,497</u>

The dependence upon general revenues for governmental activities is apparent, with 40.82% of expenses supported through taxes and other general revenues during 2003. The graph below illustrates the County's reliance upon general revenues.

**Governmental Activities – General and Program Revenues**



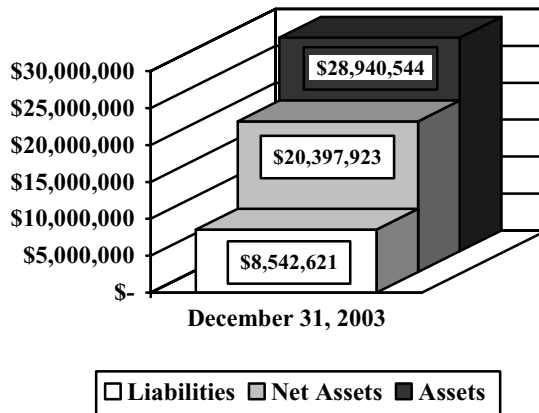
## HOLMES COUNTY, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2003 UNAUDITED

#### Business-Type Activities

The Sewer District, East Holmes Water, County Disposal and Joel Pomerene Hospital are the County's enterprise funds. These operations had program revenues of \$24,983,931, general revenues of \$53,341, and expenses of \$23,282,378 for fiscal year 2003. The net assets of the enterprise funds increased \$1,754,894 or 9.41% during 2003. The following graph illustrates the assets, liabilities and net assets of the County's business-type activities at December 31, 2003:

**Net Assets in Business – Type Activities**



#### Financial Analysis of the Government's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### *Governmental Funds*

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at year-end.

The County's governmental funds (as presented on the balance sheet on pages F22-F23) reported a combined fund balance of \$11,172,011, which is \$323,529 over last year's total of \$10,848,482 (the balances at December 31, 2002 have been restated as described in Note 3.A. to the basic financial statements). The schedule below indicates the fund balance and the total change in fund balance as of December 31, 2003 for all major and nonmajor governmental funds.

**HOLMES COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED

	Fund Balance <u>December 31, 2003</u>	Restated Fund Balance <u>December 31, 2002</u>	Increase (Decrease)
Major Funds:			
General	\$ 1,413,694	\$ 1,755,023	\$ (341,329)
County Board of MR/DD	1,612,828	1,760,395	(147,567)
Motor Vehicle License and Gas Tax	2,151,218	2,218,609	(67,391)
Public Assistance	967,077	321,409	645,668
County Home	308,420	280,643	27,777
Other Nonmajor Governmental Funds	<u>4,718,774</u>	<u>4,512,403</u>	<u>206,371</u>
Total	<u>\$ 11,172,011</u>	<u>\$ 10,848,482</u>	<u>\$ 323,529</u>

***General Fund***

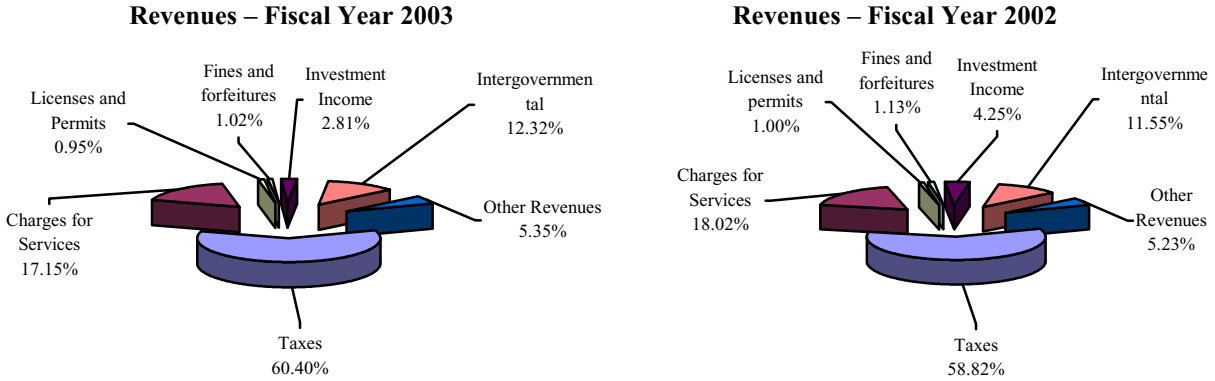
The County's general fund balance decreased \$341,329, primarily due to expenditures increasing faster than revenues. The table that follows assists in illustrating the revenues of the general fund.

	<u>2003 Amount</u>	<u>2002 Amount</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 5,480,770	\$ 5,202,687	5.34 %
Charges for services	1,555,697	1,594,067	(2.41) %
Licenses and permits	85,818	88,762	(3.32) %
Fines and forfeitures	92,260	99,805	(7.56) %
Intergovernmental	1,117,551	1,021,152	9.44 %
Investment income	255,327	375,746	(32.05) %
Other	<u>485,668</u>	<u>462,422</u>	5.03 %
Total	<u>\$ 9,073,091</u>	<u>\$ 8,844,641</u>	2.58 %

Tax revenue represents 60.41% of all general fund revenue. Tax revenue` increased slightly by 5.34% over prior year. The decrease in investment income is due to drastic cuts in interest rates by the Federal Reserve Bank throughout the year. The increase in intergovernmental revenue is due to the County aggressively seeking state and federal grants. All other revenue remained comparable to 2002.

HOLMES COUNTY, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED



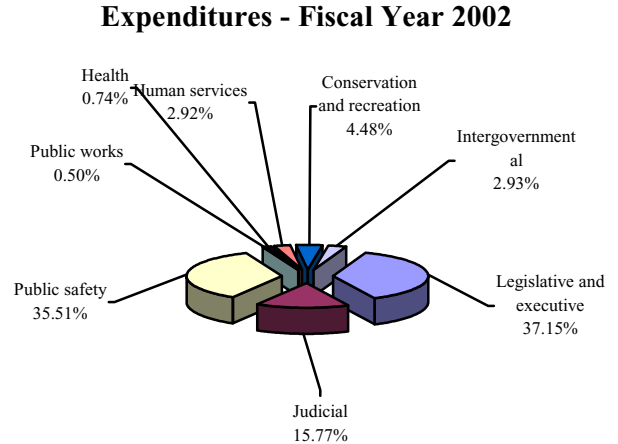
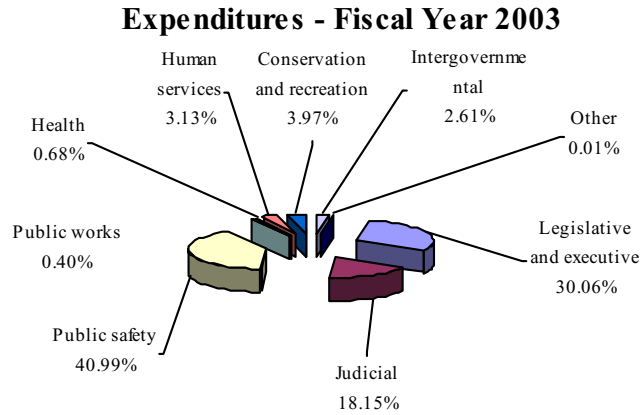
The table that follows assists in illustrating the expenditures of the general fund.

	<u>2003</u> <u>Amount</u>	<u>2002</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>			
General government			
Legislative and executive	\$ 2,549,786	\$ 2,810,416	(9.27) %
Judicial	1,539,556	1,193,397	29.01 %
Public safety	3,475,098	2,686,904	29.33 %
Public works	34,085	38,070	(10.47) %
Health	57,986	56,180	3.21 %
Human services	265,779	220,915	20.31 %
Conservation and recreation	336,800	338,987	(0.65) %
Intergovernmental	220,981	221,316	(0.15) %
Other	880	-	100.00 %
Total	<u>\$ 8,480,951</u>	<u>\$ 7,566,185</u>	12.09 %

The most significant increases were in the areas of judicial general government and public safety. These increases are primarily due to the County court systems and sheriff's office. The decrease in general government legislative and executive is due to the County's control of expenditures. All other expenditures remained comparable to 2002.

**HOLMES COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**



***County Board of MR/DD***

The County Board of MR/DD fund, a major governmental fund, had revenues of \$4,758,931 in 2003, a decrease of \$52,829 or 1.10% from 2002 revenues. The County Board of MR/DD fund, had expenditures of \$4,796,498 in 2003, an increase of \$245,580 or 5.40% from 2002. The increase in expenditures, the decrease in revenues, and transfers out contributed to the County Board of MR/DD fund balance decrease of \$147,567 from 2002 to 2003.

***Motor Vehicle License and Gas Tax Fund***

The Motor Vehicle License and Gas Tax fund, a major governmental fund, had revenues of \$3,239,450 in 2003, an increase of \$117,247 or 3.76% from 2002 revenues. The Motor Vehicle License and Gas Tax fund, had expenditures of \$3,306,841 in 2003, an increase of \$348,997 or 11.80% from 2002. The larger increase in expenditures and the smaller increase in revenues contributed to the Motor Vehicle License and Gas Tax fund balance decrease of \$67,391 from 2002 to 2003.

***Public Assistance Fund***

The Public Assistance fund, a major governmental fund, had revenues of \$2,792,725 in 2003, an increase of \$998,011 or 55.61% from 2002 revenues. The Public Assistance fund, had expenditures of \$2,244,160 in 2003, an increase of \$156,646 or 7.50% from 2002. The larger increase in revenues, the smaller increase in expenditures, and transfers in contributed to the Public Assistance fund balance increase of \$645,668 from 2002 to 2003.

***County Home Fund***

The County Home fund, a major governmental fund, had revenues of \$1,398,785 in 2003. The County Home fund, had expenditures of \$1,371,008 in 2003. The County Home fund balance increased \$27,777 from 2002 to 2003.

***Budgeting Highlights - General Fund***

The County's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the County's appropriations which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the County's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity then the appropriations can be adjusted accordingly.

**HOLMES COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED

Budgetary information is presented for the general fund, County board of MR/DD, motor vehicle license and gas tax , public assistance and County home. In the general fund, there were no significant changes between the original and final budget. Actual revenues of \$8,747,006 exceeded final budgeted revenues by \$382,925 or 4.58%. This increase is due to greater than anticipated receipts in sales tax revenue. Another significant difference between the final budget and actual expenditures was a \$600,113 or 6.95% decrease in expenditures. Actual expenditures being lower than final budgeted expenditures are a result of the County's conservative budgeting practices.

***Proprietary Funds***

The County's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail.

**Capital Assets and Debt Administration**

***Capital Assets***

Under GASB Statement No. 34, the County restated its governmental activities capital assets to include infrastructure assets, report the change in the County's capitalization threshold from \$500 to \$2,500 and to report accumulated depreciation in the governmental funds. See Note 10.A. to the basic financial statements for detail. At the end of 2003, the County had \$38,649,644 (net of accumulated depreciation) invested in land, buildings and improvements, furniture and equipment, vehicles, construction in progress, sewer mains and infrastructure. Of this total, \$23,843,225 was reported in governmental activities and \$14,806,419 was reported in business-type activities. The following table shows fiscal 2003 balances compared to 2002:

**Capital Assets at December 31  
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Land	\$ 941,019	\$ 941,019	\$ 1,181,161	\$ 1,173,089	\$ 2,122,180	\$ 2,114,108
Building and improvements	12,051,738	12,513,315	6,417,813	6,678,870	18,469,551	19,192,185
Furniture and equipment	384,299	259,627	4,493,893	4,489,038	4,878,192	4,748,665
Vehicles	1,314,278	1,458,499	81,267	87,398	1,395,545	1,545,897
Infrastructure	9,151,891	8,902,515	-	-	9,151,891	8,902,515
Sewer mains	-	-	2,549,334	2,662,709	2,549,334	2,662,709
Construction in progress	-	-	82,951	55,310	82,951	55,310
<b>Total</b>	<b><u>\$ 23,843,225</u></b>	<b><u>\$ 24,074,975</u></b>	<b><u>\$ 14,806,419</u></b>	<b><u>\$ 15,146,414</u></b>	<b><u>\$ 38,649,644</u></b>	<b><u>\$ 39,221,389</u></b>

See Note 10 to the basic financial statements for detail on governmental activities and business-type activities capital assets.

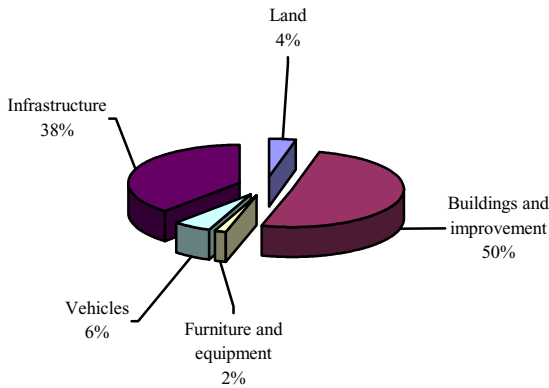


**HOLMES COUNTY, OHIO**

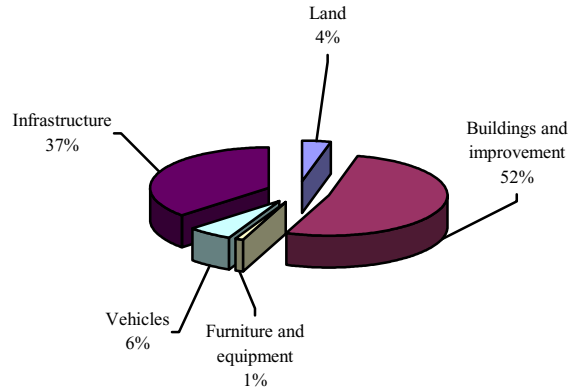
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

The following graphs show the breakdown of governmental capital assets by category for 2003 and 2002.

**Capital Assets - Governmental Activities 2003**



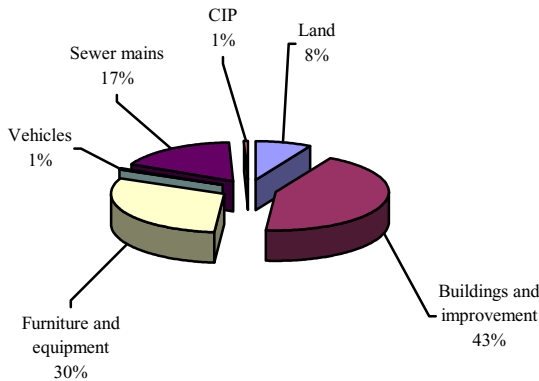
**Capital Assets - Governmental Activities 2002**



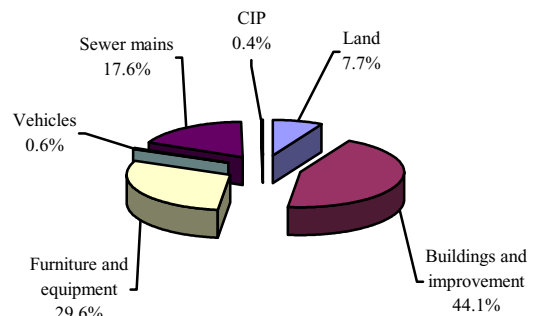
The County's second largest capital asset category is infrastructure which includes roads, bridges and culverts. These items are immovable and of value only to the County, however, the annual cost of purchasing these items is quite significant. The net book value of the County's infrastructure (cost less accumulated depreciation) represents approximately 38% of the County's total governmental capital assets.

The following graphs show the breakdown of business-type capital assets by category for 2003 and 2002.

**Capital Assets - Business-Type Activities 2003**



**Capital Assets - Business-Type Activities 2002**



The County's third largest business-type capital asset category is sewer mains. These items play a vital role in the income producing ability of the business-type activities. The net book value of the County's sewer mains (cost less accumulated depreciation) represents approximately 17% of the County's total business-type capital assets.

**HOLMES COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2003  
UNAUDITED**

***Debt Administration***

At December 31, 2003 the County had \$5,322,000 in general obligation bonds, \$3,722,085 in revenue bonds and OPWC loans of \$120,175 outstanding. Of this total, \$387,812 is due within one year and \$8,776,448 is due within greater than one year. The following table summarizes the bonds and loans outstanding.

**Outstanding Debt, at Year End**

	Governmental Activities 2003	Business-Type Activities 2003
Long-Term Obligations		
General obligation bonds:	\$ 5,322,000	\$ -
Revenue bonds	-	3,769,835
OPWC loans	-	120,175
Total	<u>\$ 5,322,000</u>	<u>\$ 3,890,010</u>

The County's voted legal debt margin was \$13,123,809 at December 31, 2003 and the unvoted legal debt margin was \$4,921,493 at December 31, 2003. See Note 14 to the basic financial statements for detail on governmental activities and business-type activities long-term obligations.

**Economic Factors and Next Year's Budgets and Rates**

The County's current population as of the 2000 census is 38,943.

The County's unemployment rate is currently 3.7%, compared to the 6.6% state average and the 6.1% national average.

These economic factors were considered in preparing the County's budget for fiscal year 2004. Budgeted revenues and other financing sources in the general fund for fiscal year 2004 budget are \$9,308,883. With the continuation of conservative budgeting practices, the County's financial position should remain strong in future years.

**Contacting the County's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Honorable Jackie McKee, Holmes County Auditor, Clinton Street Office Building, 75 E. Clinton Street, Suite 107, Millersburg, Ohio 44654.

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HOLMES COUNTY, OHIO

STATEMENT OF NET ASSETS  
DECEMBER 31, 2003

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 10,157,225	\$ 1,003,488	\$ 11,160,713
Cash in segregated accounts . . . . .	55,309	1,795,066	1,850,375
Receivables (net of allowances for uncollectibles):			
Sales taxes . . . . .	711,085	-	711,085
Real estate and other taxes . . . . .	5,704,040	-	5,704,040
Accounts . . . . .	114,671	4,007,152	4,121,823
Due from other governments. . . . .	3,006,926	-	3,006,926
Accrued interest . . . . .	-	-	-
Notes and loans . . . . .	-	191,941	191,941
Third party settlements. . . . .	-	96,431	96,431
Internal balances . . . . .	378,213	(378,213)	-
Prepayments . . . . .	55,001	214,267	269,268
Materials and supplies inventory. . . . .	311,385	403,064	714,449
Other assets . . . . .	173,225	-	173,225
Assets limited as to use . . . . .	-	6,800,929	6,800,929
Capital assets:			
Land and construction in progress. . . . .	941,019	1,264,112	2,205,131
Depreciable capital assets, net. . . . .	22,902,206	13,542,307	36,444,513
Total capital assets. . . . .	23,843,225	14,806,419	38,649,644
<b>Total assets. . . . .</b>	<b>44,510,305</b>	<b>28,940,544</b>	<b>73,450,849</b>
<b>Liabilities:</b>			
Accounts payable. . . . .	433,791	349,126	782,917
Contracts payable. . . . .	-	11,520	11,520
Accrued wages and benefits . . . . .	626,084	1,688,986	2,315,070
Due to other governments . . . . .	496,314	26,916	523,230
Deferred revenue. . . . .	5,494,168	-	5,494,168
Accrued interest payable. . . . .	23,305	93,633	116,938
Other accrued expenses. . . . .	-	263,965	263,965
Notes payable . . . . .	191,348	-	191,348
Long-term liabilities:			
Due within one year. . . . .	922,522	226,041	1,148,563
Due in more than one year . . . . .	5,264,847	5,882,434	11,147,281
<b>Total liabilities . . . . .</b>	<b>13,452,379</b>	<b>8,542,621</b>	<b>21,995,000</b>
<b>Net assets:</b>			
Invested in capital assets, net of related debt. . . . .	18,521,225	10,518,569	29,039,794
Restricted for:			
Capital projects . . . . .	594,298	-	594,298
Debt service . . . . .	144,977	-	144,977
Public works projects . . . . .	3,127,135	-	3,127,135
Public safety programs. . . . .	1,513,479	-	1,513,479
Human services programs . . . . .	4,121,009	-	4,121,009
Other purposes . . . . .	1,268,950	-	1,268,950
Unrestricted . . . . .	1,766,853	9,879,354	11,646,207
<b>Total net assets. . . . .</b>	<b>\$ 31,057,926</b>	<b>\$ 20,397,923</b>	<b>\$ 51,455,849</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Component Units**

<b>Lynn Hope Industries, Incorporated</b>	<b>Holmes County Airport Authority</b>	<b>Regional Planning Commission</b>
\$ -	\$ -	\$ 196,904
82,066	335,374	-
-	-	-
-	-	-
27,635	642	-
-	-	400
-	311	-
-	-	-
-	-	-
-	569	140
-	-	-
451	-	-
-	-	-
-	-	-
40,844	298,902	-
40,844	298,902	-
150,996	635,798	197,444
3,535	53,670	-
-	-	-
709	-	6,438
-	626	2,959
-	25,261	-
-	-	-
-	-	-
22,000	-	-
14,182	-	12,252
206,978	-	3,979
247,404	79,557	25,628
-	298,902	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
(96,408)	257,339	171,816
\$ (96,408)	\$ 556,241	\$ 171,816

HOLMES COUNTY, OHIO

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental Activities:</b>				
General government:				
Legislative and executive . . . . .	\$ 4,046,800	\$ 1,998,224	\$ 631,568	\$ -
Judicial . . . . .	1,604,791	250,219	100,321	-
Public safety . . . . .	4,116,338	152,442	358,121	-
Public works . . . . .	4,129,490	513,811	3,389,414	114,773
Health . . . . .	172,457	108,761	-	-
Human services . . . . .	10,816,474	1,401,057	6,038,712	-
Conservation and recreation . . . . .	419,284	15,461	48,990	177,248
Intergovernmental . . . . .	220,981	-	-	-
Other . . . . .	880	-	-	-
Interest and fiscal charges . . . . .	326,124	-	-	-
Total governmental activities . . . . .	<u>25,853,619</u>	<u>4,439,975</u>	<u>10,567,126</u>	<u>292,021</u>
<b>Business-Type Activities:</b>				
East Holmes Water . . . . .	8,773	3,418	-	-
Sewer District . . . . .	732,630	902,225	-	-
County Disposal . . . . .	433,900	48,474	-	-
Joel Pomerene Hospital . . . . .	<u>22,107,075</u>	<u>24,029,814</u>	<u>-</u>	<u>-</u>
Total business-type activities . . . . .	<u>23,282,378</u>	<u>24,983,931</u>	<u>-</u>	<u>-</u>
Total primary government . . . . .	<u>\$ 49,135,997</u>	<u>\$ 29,423,906</u>	<u>\$ 10,567,126</u>	<u>\$ 292,021</u>
<b>Component Units:</b>				
Lynn Hope Industries, Inc. . . . .	429,081	301,252	177,926	-
Holmes County Airport Authority . . . . .	220,502	67,617	136,617	-
Regional Planning Commission . . . . .	<u>187,287</u>	<u>-</u>	<u>184,031</u>	<u>-</u>
Total component units . . . . .	<u>\$ 836,870</u>	<u>\$ 368,869</u>	<u>\$ 498,574</u>	<u>\$ -</u>

**General Revenues:**

Property taxes levied for:

General fund . . . . .	
Human services - County Board of MR/DD . . . . .	
Human services - County Home . . . . .	
Sales taxes . . . . .	
Grants and entitlements not restricted to specific programs . . . . .	
Investment earnings . . . . .	
Miscellaneous . . . . .	

Total general revenues . . . . .

Change in net assets . . . . .

Net assets at beginning of year (restated) . . . . .

Net assets at end of year . . . . .

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue and Changes in Net Assets**

<b>Primary Government</b>			<b>Component Units</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Lynn Hope Industries, Inc.</b>	<b>Holmes County Airport Authority</b>	<b>Regional Planning Commission</b>
\$ (1,417,008)	\$ -	\$ (1,417,008)	\$ -	\$ -	\$ -
(1,254,251)	-	(1,254,251)	-	-	-
(3,605,775)	-	(3,605,775)	-	-	-
(111,492)	-	(111,492)	-	-	-
(63,696)	-	(63,696)	-	-	-
(3,376,705)	-	(3,376,705)	-	-	-
(177,585)	-	(177,585)	-	-	-
(220,981)	-	(220,981)	-	-	-
(880)	-	(880)	-	-	-
(326,124)	-	(326,124)	-	-	-
<u>(10,554,497)</u>	<u>-</u>	<u>(10,554,497)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(5,355)	(5,355)	-	-	-
-	169,595	169,595	-	-	-
-	(385,426)	(385,426)	-	-	-
-	<u>1,922,739</u>	<u>1,922,739</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	1,701,553	1,701,553	-	-	-
<u>(10,554,497)</u>	<u>1,701,553</u>	<u>(8,852,944)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	50,097	-	-
-	-	-	-	(16,268)	-
-	-	-	-	-	(3,256)
-	-	-	<u>50,097</u>	<u>(16,268)</u>	<u>(3,256)</u>
1,892,805	-	1,892,805	-	-	-
2,799,463	-	2,799,463	-	-	-
822,563	-	822,563	-	-	-
4,494,544	-	4,494,544	-	-	-
1,060,162	-	1,060,162	-	-	-
312,680	16,352	329,032	581	6,120	-
627,380	36,989	664,369	-	12,210	1,098
<u>12,009,597</u>	<u>53,341</u>	<u>12,062,938</u>	<u>581</u>	<u>18,330</u>	<u>1,098</u>
1,455,100	1,754,894	3,209,994	50,678	2,062	(2,158)
<u>29,602,826</u>	<u>18,643,029</u>	<u>48,245,855</u>	<u>(147,086)</u>	<u>554,179</u>	<u>173,974</u>
<u>\$ 31,057,926</u>	<u>\$ 20,397,923</u>	<u>\$ 51,455,849</u>	<u>\$ (96,408)</u>	<u>\$ 556,241</u>	<u>\$ 171,816</u>

HOLMES COUNTY, OHIO

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2003

	General	County Board of MR/DD	Motor Vehicle License and Gas Tax
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 1,305,649	\$ 1,834,631	\$ 1,899,300
Cash in segregated accounts . . . . .	10,345	-	-
Receivables (net of allowance for uncollectibles):			
Sales taxes . . . . .	617,085	-	-
Real estate and other taxes . . . . .	1,906,754	2,928,766	-
Accounts . . . . .	37,179	1,719	1,520
Interfund loan receivable . . . . .	149	-	-
Loans to other funds . . . . .	55,000	-	-
Due from other funds . . . . .	65,054	-	-
Due from other governments . . . . .	438,992	329,021	822,915
Prepayments . . . . .	36,409	5,985	4,711
Other assets . . . . .	-	-	-
Materials and supplies inventory . . . . .	60,721	5,400	204,358
Total assets . . . . .	<u>\$ 4,533,337</u>	<u>\$ 5,105,522</u>	<u>\$ 2,932,804</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 137,569	\$ 74,448	\$ 52,099
Accrued wages and benefits . . . . .	223,704	151,823	72,676
Loans from other funds . . . . .	-	-	-
Due to other funds . . . . .	-	2,304	-
Due to other governments . . . . .	149,183	73,974	37,257
Interfund loan payable . . . . .	-	-	-
Deferred revenue . . . . .	2,609,187	3,190,145	619,554
Notes payable . . . . .	-	-	-
Total liabilities . . . . .	<u>3,119,643</u>	<u>3,492,694</u>	<u>781,586</u>
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	50,541	-	22,407
Reserved for prepayments . . . . .	36,409	5,985	4,711
Reserved for materials and supplies inventory . . . . .	60,721	5,400	204,358
Reserved for loans . . . . .	55,000	-	-
Reserved for debt service . . . . .	-	-	-
Unreserved:			
Designated for compensated absences . . . . .	-	-	-
Undesignated, reported in:			
General fund . . . . .	1,211,023	-	-
Special revenue funds . . . . .	-	1,601,443	1,919,742
Capital projects funds . . . . .	-	-	-
Total fund balances . . . . .	<u>1,413,694</u>	<u>1,612,828</u>	<u>2,151,218</u>
Total liabilities and fund balances . . . . .	<u>\$ 4,533,337</u>	<u>\$ 5,105,522</u>	<u>\$ 2,932,804</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



<b>Public Assistance</b>	<b>County Home</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 283,871	\$ 332,954	\$ 4,500,820	\$ 10,157,225
-	-	44,964	55,309
-	-	94,000	711,085
-	868,520	-	5,704,040
12,136	24,798	37,319	114,671
-	-	-	149
-	-	378,213	433,213
-	-	2,304	67,358
929,410	42,628	443,960	3,006,926
1,902	3,136	2,858	55,001
-	-	173,225	173,225
3,286	28,606	9,014	311,385
<u>\$ 1,230,605</u>	<u>\$ 1,300,642</u>	<u>\$ 5,686,677</u>	<u>\$ 20,789,587</u>
\$ 37,618	\$ 16,348	\$ 115,709	\$ 433,791
65,034	43,042	69,805	626,084
-	-	55,000	55,000
27,239	-	37,815	67,358
107,207	21,684	107,009	496,314
-	-	149	149
26,430	911,148	391,068	7,747,532
-	-	191,348	191,348
<u>263,528</u>	<u>992,222</u>	<u>967,903</u>	<u>9,617,576</u>
-	-	92,560	165,508
1,902	3,136	2,858	55,001
3,286	28,606	9,014	311,385
-	-	378,213	433,213
-	-	133,282	133,282
-	-	362,149	362,149
-	-	-	1,211,023
961,889	276,678	3,240,848	8,000,600
-	-	499,850	499,850
<u>967,077</u>	<u>308,420</u>	<u>4,718,774</u>	<u>11,172,011</u>
<u>\$ 1,230,605</u>	<u>\$ 1,300,642</u>	<u>\$ 5,686,677</u>	<u>\$ 20,789,587</u>

HOLMES COUNTY, OHIO

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2003

<b>Total governmental fund balances</b>		\$ 11,172,011
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		23,843,225
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Property taxes	\$ 218,710	
Sales tax	358,855	
Intergovernmental revenues	1,663,665	
Fines and forfeitures	4,784	
Other revenues	7,132	
Charges for services	218	
	<hr/>	
Total		2,253,364
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds	(5,322,000)	
Compensated absences	(865,369)	
Accrued interest payable	(23,305)	
	<hr/>	
Total		(6,210,674)
<b>Net assets of governmental activities</b>		<u>\$ 31,057,926</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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HOLMES COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	General	County Board of MR/DD	Motor Vehicle License and Gas Tax
<b>Revenues:</b>			
Property taxes . . . . .	\$ 1,911,185	\$ 2,783,706	\$ -
Sales taxes . . . . .	3,569,585	-	-
Charges for services . . . . .	1,555,697	57,385	-
Licenses and permits . . . . .	85,818	-	-
Fines and forfeitures . . . . .	92,260	-	31,912
Intergovernmental . . . . .	1,117,551	1,907,869	3,135,225
Investment income . . . . .	255,327	840	6,973
Rental income . . . . .	49,427	-	-
Contributions and donations . . . . .	-	-	-
Other . . . . .	436,241	9,131	65,340
Total revenues . . . . .	<u>9,073,091</u>	<u>4,758,931</u>	<u>3,239,450</u>
<b>Expenditures:</b>			
Current:			
General government:			
Legislative and executive . . . . .	2,549,786	-	-
Judicial . . . . .	1,539,556	-	-
Public safety . . . . .	3,475,098	-	-
Public works . . . . .	34,085	-	3,306,841
Health . . . . .	57,986	-	-
Human services . . . . .	265,779	4,796,498	-
Conservation and recreation . . . . .	336,800	-	-
Intergovernmental . . . . .	220,981	-	-
Other . . . . .	880	-	-
Capital outlay . . . . .	-	-	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
Total expenditures . . . . .	<u>8,480,951</u>	<u>4,796,498</u>	<u>3,306,841</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>592,140</u>	<u>(37,567)</u>	<u>(67,391)</u>
<b>Other financing sources (uses):</b>			
Transfers in . . . . .	-	-	-
Transfers out . . . . .	(933,469)	(110,000)	-
Total other financing sources (uses) . . . . .	<u>(933,469)</u>	<u>(110,000)</u>	<u>-</u>
Net change in fund balances. . . . .	(341,329)	(147,567)	(67,391)
<b>Fund balances at beginning of year (restated) .</b>	<u>1,755,023</u>	<u>1,760,395</u>	<u>2,218,609</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 1,413,694</u>	<u>\$ 1,612,828</u>	<u>\$ 2,151,218</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Public Assistance</b>	<b>County Home</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 828,813	\$ -	\$ 5,523,704
-	-	566,104	4,135,689
-	451,471	1,318,715	3,383,268
-	-	263,987	349,805
-	-	81,897	206,069
2,612,910	81,411	2,804,391	11,659,357
-	-	49,540	312,680
-	29,332	148,311	227,070
-	-	41,148	41,148
179,815	7,758	190,724	889,009
<u>2,792,725</u>	<u>1,398,785</u>	<u>5,464,817</u>	<u>26,727,799</u>
-	-	1,076,651	3,626,437
-	-	57,849	1,597,405
-	-	680,385	4,155,483
-	-	1,013,550	4,354,476
-	-	95,382	153,368
2,244,160	1,371,008	2,133,875	10,811,320
-	-	79,899	416,699
-	-	-	220,981
-	-	-	880
-	-	457,006	457,006
-	-	283,000	283,000
-	-	327,215	327,215
<u>2,244,160</u>	<u>1,371,008</u>	<u>6,204,812</u>	<u>26,404,270</u>
<u>548,565</u>	<u>27,777</u>	<u>(739,995)</u>	<u>323,529</u>
97,103	-	946,366	1,043,469
-	-	-	(1,043,469)
<u>97,103</u>	<u>-</u>	<u>946,366</u>	<u>-</u>
645,668	27,777	206,371	323,529
321,409	280,643	4,512,403	10,848,482
<u>\$ 967,077</u>	<u>\$ 308,420</u>	<u>\$ 4,718,774</u>	<u>\$ 11,172,011</u>

HOLMES COUNTY, OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2003

**Net change in fund balances - total governmental funds** \$ 323,529

*Amounts reported for governmental activities in the  
statement of activities are different because:*

Governmental funds report capital outlays as expenditures.  
However, in the statement of activities, the cost of those  
assets are allocated over their estimated useful lives as  
depreciation expense. This is the amount by which capital  
outlays (\$1,350,485) were less than depreciation expense  
(\$1,491,860) in the current period. (141,375)

The effect of various miscellaneous transactions involving capital  
assets (i.e., sales, trade-ins, and donations) is to decrease net assets. (90,375)

Revenues in the statement of activities that do not provide  
current financial resources are not reported as revenues in  
the funds. 580,920

Repayment of bonds are expenditures in the governmental funds,  
but the repayment reduces long-term liabilities on the statement  
of net assets. 283,000

In the statement of activities, interest is accrued on  
outstanding bonds, whereas in governmental funds, an  
interest expenditure is reported when due. 1,091

Some expenses reported in the statement of activities, such as  
compensated absences, do not require the use of current financial  
resources and, therefore, are not reported as expenditures in  
governmental funds. 498,310

**Change in net assets of governmental activities** \$ 1,455,100

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HOLMES COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 1,823,300	\$ 1,823,300	\$ 1,916,204	\$ 92,904
Sales taxes. . . . .	3,250,000	3,250,000	3,587,282	337,282
Charges for services. . . . .	1,360,500	1,360,500	1,320,541	(39,959)
Licenses and permits . . . . .	106,285	106,285	88,477	(17,808)
Fines and forfeitures . . . . .	97,000	97,000	102,464	5,464
Intergovernmental. . . . .	920,150	923,760	980,407	56,647
Investment income . . . . .	400,000	400,000	263,296	(136,704)
Rental income. . . . .	17,860	17,860	49,059	31,199
Other . . . . .	325,300	385,376	439,276	53,900
Total revenues. . . . .	<u>8,300,395</u>	<u>8,364,081</u>	<u>8,747,006</u>	<u>382,925</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	4,416,945	4,444,151	4,053,940	390,211
Judicial. . . . .	1,016,217	1,022,476	955,362	67,114
Public safety . . . . .	2,170,893	2,184,264	2,180,414	3,850
Public works . . . . .	36,202	36,425	36,268	157
Health . . . . .	61,734	62,114	57,986	4,128
Human services . . . . .	304,042	305,915	188,099	117,816
Conservation and recreation . . . . .	336,414	338,486	336,800	1,686
Other . . . . .	15,933	16,031	880	15,151
Intergovernmental . . . . .	220,981	220,981	220,981	-
Total expenditures . . . . .	<u>8,579,361</u>	<u>8,630,843</u>	<u>8,030,730</u>	<u>600,113</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(278,966)</u>	<u>(266,762)</u>	<u>716,276</u>	<u>983,038</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	(837,039)	(843,895)	(933,469)	(89,574)
Advances out . . . . .	<u>(55,000)</u>	<u>(55,000)</u>	<u>(55,000)</u>	<u>-</u>
Total other financing uses . . . . .	<u>(892,039)</u>	<u>(898,895)</u>	<u>(988,469)</u>	<u>(89,574)</u>
Net change in fund balance. . . . .	(1,171,005)	(1,165,657)	(272,193)	893,464
<b>Fund balance at beginning of year . . . . .</b>	1,373,900	1,373,900	1,373,900	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>115,438</u>	<u>115,438</u>	<u>115,438</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 318,333</u>	<u>\$ 323,681</u>	<u>\$ 1,217,145</u>	<u>\$ 893,464</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HOLMES COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COUNTY BOARD OF MR/DD  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 2,857,825	\$ 2,857,824	\$ 2,794,214	\$ (63,610)
Charges for services . . . . .	62,750	53,250	60,646	7,396
Intergovernmental . . . . .	1,652,040	1,469,659	1,607,083	137,424
Investment income . . . . .	2,000	2,000	840	(1,160)
Rental income . . . . .	91,000	91,000	90,977	(23)
Other . . . . .	1,500	3,023	8,247	5,224
Total revenues . . . . .	<u>4,667,115</u>	<u>4,476,756</u>	<u>4,562,007</u>	<u>85,251</u>
<b>Expenditures:</b>				
Current:				
Human services . . . . .	<u>5,128,728</u>	<u>5,214,741</u>	<u>4,624,374</u>	<u>590,367</u>
Total expenditures . . . . .	<u>5,128,728</u>	<u>5,214,741</u>	<u>4,624,374</u>	<u>590,367</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(461,613)</u>	<u>(737,985)</u>	<u>(62,367)</u>	<u>675,618</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	<u>(127,449)</u>	<u>(113,731)</u>	<u>(110,000)</u>	<u>3,731</u>
Total other financing uses . . . . .	<u>(127,449)</u>	<u>(113,731)</u>	<u>(110,000)</u>	<u>3,731</u>
Net change in fund balance. . . . .	(589,062)	(851,716)	(172,367)	679,349
<b>Fund balance at beginning of year . . . . .</b>	<u>1,943,113</u>	<u>1,943,113</u>	<u>1,943,113</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,354,051</u>	<u>\$ 1,091,397</u>	<u>\$ 1,770,746</u>	<u>\$ 679,349</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



HOLMES COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MOTOR VEHICLE LICENSE AND GAS TAX  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 42,000	\$ 42,000	\$ 33,323	\$ (8,677)
Intergovernmental . . . . .	2,986,900	2,990,000	3,164,249	174,249
Investment income . . . . .	7,000	7,217	7,217	-
Other . . . . .	56,000	47,783	64,826	17,043
Total revenues . . . . .	<u>3,091,900</u>	<u>3,087,000</u>	<u>3,269,615</u>	<u>182,615</u>
<b>Expenditures:</b>				
Current:				
Public works . . . . .	<u>5,026,876</u>	<u>4,994,922</u>	<u>3,474,946</u>	<u>1,519,976</u>
Total expenditures . . . . .	<u>5,026,876</u>	<u>4,994,922</u>	<u>3,474,946</u>	<u>1,519,976</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(1,934,976)</u>	<u>(1,907,922)</u>	<u>(205,331)</u>	<u>1,702,591</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>10,000</u>	<u>86,526</u>	<u>-</u>	<u>(86,526)</u>
Total other financing sources . . . . .	<u>10,000</u>	<u>86,526</u>	<u>-</u>	<u>(86,526)</u>
Net change in fund balance . . . . .	(1,924,976)	(1,821,396)	(205,331)	1,616,065
<b>Fund balance at beginning of year . . . . .</b>	1,821,396	1,821,396	1,821,396	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>108,480</u>	<u>108,480</u>	<u>108,480</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 4,900</u>	<u>\$ 108,480</u>	<u>\$ 1,724,545</u>	<u>\$ 1,616,065</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HOLMES COUNTY, OHIO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PUBLIC ASSISTANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 2,944,897	\$ 2,440,774	\$ 2,015,639	\$ (425,135)
Other . . . . .	195,000	440,655	170,851	(269,804)
Total revenues . . . . .	<u>3,139,897</u>	<u>2,881,429</u>	<u>2,186,490</u>	<u>(694,939)</u>
<b>Expenditures:</b>				
Current:				
Human services. . . . .	3,683,406	3,683,406	2,202,591	1,480,815
Total expenditures . . . . .	<u>3,683,406</u>	<u>3,683,406</u>	<u>2,202,591</u>	<u>1,480,815</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(543,509)</u>	<u>(801,977)</u>	<u>(16,101)</u>	<u>785,876</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	50,854	550,854	97,103	(453,751)
Transfers out . . . . .	(3,000)	(3,000)	-	3,000
Total other financing sources (uses) . . . . .	<u>47,854</u>	<u>547,854</u>	<u>97,103</u>	<u>(450,751)</u>
Net change in fund balance. . . . .	(495,655)	(254,123)	81,002	335,125
<b>Fund balance at beginning of year (restated). . .</b>	<u>202,869</u>	<u>202,869</u>	<u>202,869</u>	<u>-</u>
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (292,786)</u>	<u>\$ (51,254)</u>	<u>\$ 283,871</u>	<u>\$ 335,125</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**HOLMES COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COUNTY HOME  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property taxes . . . . .	\$ 806,276	\$ 806,276	\$ 831,131	\$ 24,855
Charges for services . . . . .	400,000	400,000	471,946	71,946
Intergovernmental . . . . .	77,365	77,365	81,411	4,046
Rental income . . . . .	22,500	22,500	37,129	14,629
Other . . . . .	7,000	7,000	8,253	1,253
<b>Total revenues . . . . .</b>	<u>1,313,141</u>	<u>1,313,141</u>	<u>1,429,870</u>	<u>116,729</u>
<b>Expenditures:</b>				
Current:				
Human services . . . . .	<u>1,512,840</u>	<u>1,512,840</u>	<u>1,361,412</u>	<u>151,428</u>
<b>Total expenditures . . . . .</b>	<u>1,512,840</u>	<u>1,512,840</u>	<u>1,361,412</u>	<u>151,428</u>
Net change in fund balance. . . . .	(199,699)	(199,699)	68,458	268,157
<b>Fund balance at beginning of year . . . . .</b>	<u>250,398</u>	<u>250,398</u>	<u>250,398</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 50,699</u>	<u>\$ 50,699</u>	<u>\$ 318,856</u>	<u>\$ 268,157</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

HOLMES COUNTY, OHIO

STATEMENT OF NET ASSETS  
 ENTERPRISE FUNDS  
 DECEMBER 31, 2003

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Sewer District</b>	<b>East Holmes Water</b>	<b>County Disposal</b>	<b>Joel Pomerene Hospital</b>
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and cash equivalents . . . . .	\$ 963,522	\$ 6,117	\$ 33,849	\$ -
Cash and in segregated accounts . . . . .	-	-	-	1,795,066
Receivables (net of allowance for uncollectibles):				
Accounts . . . . .	51,364	-	1,143	3,954,645
Notes and loans . . . . .	185,559	-	-	6,382
Third party settlements . . . . .	-	-	-	96,431
Materials and supplies inventory . . . . .	-	-	-	403,064
Current portion of assets limited as to use . . . . .	-	-	-	95,337
Prepayments . . . . .	-	-	-	214,267
<b>Total current assets . . . . .</b>	<b>1,200,445</b>	<b>6,117</b>	<b>34,992</b>	<b>6,565,192</b>
Noncurrent assets:				
Assets limited as to use, net of current portion	-	-	-	6,705,592
Capital assets:				
Land and construction in progress . . . . .	10,100	-	368,540	885,472
Depreciable capital assets, net . . . . .	4,924,528	-	-	8,617,779
<b>Total noncurrent assets . . . . .</b>	<b>4,934,628</b>	<b>-</b>	<b>368,540</b>	<b>16,208,843</b>
<b>Total assets . . . . .</b>	<b>6,135,073</b>	<b>6,117</b>	<b>403,532</b>	<b>22,774,035</b>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable . . . . .	5,870	-	1,534	341,722
Contracts payable . . . . .	11,520	-	-	-
Accrued wages and benefits . . . . .	6,817	-	1,987	1,680,182
Compensated absences payable . . . . .	10,425	-	3,053	-
Other accrued expenses . . . . .	-	-	-	263,965
Due to other governments . . . . .	6,446	-	20,470	-
Loans from other funds . . . . .	370,213	8,000	-	-
Accrued interest payable . . . . .	93,633	-	-	-
Current portion of revenue bonds payable . . . . .	33,000	-	-	51,000
Current portion of OPWC loan payable . . . . .	6,812	-	-	-
Current portion of capital lease obligation . . . . .	12,588	-	-	109,163
<b>Total current liabilities . . . . .</b>	<b>557,324</b>	<b>8,000</b>	<b>27,044</b>	<b>2,446,032</b>
Long-term liabilities:				
Revenue bonds payable . . . . .	2,776,000	-	-	909,835
Capital lease obligation . . . . .	42,100	-	-	233,989
Landfill closure and postclosure care liability . . . . .	-	-	1,807,147	-
OPWC loan payable . . . . .	113,363	-	-	-
<b>Total long-term liabilities . . . . .</b>	<b>2,931,463</b>	<b>-</b>	<b>1,807,147</b>	<b>1,143,824</b>
<b>Total liabilities . . . . .</b>	<b>3,488,787</b>	<b>8,000</b>	<b>1,834,191</b>	<b>3,589,856</b>
<b>Net assets:</b>				
Invested in capital assets, net of related debt . . . . .	1,950,765	-	368,540	8,199,264
Unrestricted . . . . .	695,521	(1,883)	(1,799,199)	10,984,915
<b>Total net assets . . . . .</b>	<b>\$ 2,646,286</b>	<b>\$ (1,883)</b>	<b>\$ (1,430,659)</b>	<b>\$ 19,184,179</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Total**

\$	1,003,488
	1,795,066
	4,007,152
	191,941
	96,431
	403,064
	95,337
	214,267
	<u>7,806,746</u>
	6,705,592
	1,264,112
	<u>13,542,307</u>
	21,512,011
	<u>29,318,757</u>
	349,126
	11,520
	1,688,986
	13,478
	263,965
	26,916
	378,213
	93,633
	84,000
	6,812
	121,751
	<u>3,038,400</u>
	3,685,835
	276,089
	1,807,147
	113,363
	<u>5,882,434</u>
	8,920,834
	10,518,569
	<u>9,879,354</u>
\$	<u><u>20,397,923</u></u>

HOLMES COUNTY, OHIO

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Sewer District</b>	<b>East Holmes Water</b>	<b>County Disposal</b>	<b>Joel Pomerene Hospital</b>
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 902,225	\$ 3,418	\$ -	\$ 23,844,364
Royalties and fees . . . . .	-	-	48,474	-
Other. . . . .	-	-	-	185,450
Total operating revenues . . . . .	<u>902,225</u>	<u>3,418</u>	<u>48,474</u>	<u>24,029,814</u>
<b>Operating expenses:</b>				
Personal services . . . . .	186,833	-	47,486	11,638,737
Contract services . . . . .	181,095	-	49,365	-
Materials and supplies . . . . .	5,632	8,773	-	6,435,926
Depreciation . . . . .	213,038	-	-	1,141,187
Provision for bad debts . . . . .	-	-	-	1,011,306
Physician recruiting and incentive. . . . .	-	-	-	180,561
Medical professional fees . . . . .	-	-	-	1,592,635
Landfill closure and postclosure care costs . . . . .	-	-	336,584	-
Other. . . . .	1,693	-	465	-
Total operating expenses. . . . .	<u>588,291</u>	<u>8,773</u>	<u>433,900</u>	<u>22,000,352</u>
Operating income (loss) . . . . .	<u>313,934</u>	<u>(5,355)</u>	<u>(385,426)</u>	<u>2,029,462</u>
<b>Nonoperating revenues (expenses):</b>				
Interest revenue . . . . .	11,299	-	-	-
Interest expense and fiscal charges . . . . .	(144,339)	-	-	(106,723)
Net Nonoperating income. . . . .	-	-	-	81,223
NE Network grant - Net. . . . .	-	-	-	(44,234)
Change in fair value of investments. . . . .	-	-	-	5,053
Total nonoperating revenues (expenses) . . . . .	<u>(133,040)</u>	<u>-</u>	<u>-</u>	<u>(64,681)</u>
Change in net assets. . . . .	180,894	(5,355)	(385,426)	1,964,781
<b>Net assets (deficit) at beginning of year (restated) .</b>	<u>2,465,392</u>	<u>3,472</u>	<u>(1,045,233)</u>	<u>17,219,398</u>
<b>Net assets (deficit) at end of year . . . . .</b>	<u>\$ 2,646,286</u>	<u>\$ (1,883)</u>	<u>\$ (1,430,659)</u>	<u>\$ 19,184,179</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Total**

\$ 24,750,007  
48,474  
185,450  
24,983,931

11,873,056  
230,460  
6,450,331  
1,354,225  
1,011,306  
180,561  
1,592,635  
336,584  
2,158

23,031,316

1,952,615

11,299  
(251,062)  
81,223  
(44,234)  
5,053

(197,721)

1,754,894

18,643,029

\$ 20,397,923

**HOLMES COUNTY, OHIO**  
**STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**Business-Type Activities - Enterprise Funds**

	<u>Sewer District</u>	<u>East Holmes Water</u>	<u>County Disposal</u>	<u>Joel Pomerene Hospital</u>
<b>Cash flows from operating activities:</b>				
Cash received from sales/service charges . . . . .	\$ 857,572	\$ 4,444	\$ -	\$ 23,221,432
Cash received from royalties and fees . . . . .	-	-	50,453	-
Cash received from other operating revenue . . . . .	-	-	-	153,099
Cash payments for personal services . . . . .	(190,720)	-	(48,970)	(11,604,320)
Cash payments for contract services . . . . .	(184,477)	(8,773)	(28,331)	-
Cash payments for materials and supplies . . . . .	(13,788)	-	-	(8,499,064)
Cash payments for other expenses. . . . .	(1,693)	-	(465)	-
	<u>466,894</u>	<u>(4,329)</u>	<u>(27,313)</u>	<u>3,271,147</u>
Net cash provided by (used for) operating activities . .				
<b>Cash flows from noncapital financing activities:</b>				
Cash received from interfund loans . . . . .	38,551	-	-	-
Net cash provided by noncapital financing activities . . . . .	<u>38,551</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets . . . . .	(4,500)	-	-	(1,106,707)
Cash received from sale of capital assets. . . . .	-	-	-	20,300
Principal payments on capital lease obligations . . . . .	(11,928)	-	-	(82,977)
Interest payments on capital lease obligations. . . . .	(3,477)	-	-	-
Principal payments on bonds and loans . . . . .	(38,812)	-	-	(350,250)
Interest payments on bonds and loans . . . . .	(143,507)	-	-	(106,723)
	<u>(202,224)</u>	<u>-</u>	<u>-</u>	<u>(1,626,357)</u>
Net cash provided by (used in) capital and related financing activities . . . . .				
<b>Cash flows from investing activities:</b>				
Cash received from interest . . . . .	11,299	-	-	125,462
Net cash provided by purchases and maturities of investments. . . . .	-	-	-	1,450,589
Repayments from notes receivable . . . . .	11,267	-	-	-
Advances to physicians . . . . .	-	-	-	(6,382)
Net cash provided by investing activities. . . . .	<u>22,566</u>	<u>-</u>	<u>-</u>	<u>1,569,669</u>
Net increase (decrease) in cash and cash equivalents . . . . .	325,787	(4,329)	(27,313)	3,214,459
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>637,735</u>	<u>10,446</u>	<u>61,162</u>	<u>1,814,155</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 963,522</u>	<u>\$ 6,117</u>	<u>\$ 33,849</u>	<u>\$ 5,028,614</u>
Cash and cash equivalents include the following:				
Cash and cash equivalents . . . . .	963,522	6,117	33,849	1,795,065
Assets limited as to use cash and cash equivalents:				
Board designated for future capital improvements . . . . .	-	-	-	3,190,279
Funds available for future construction and equipment . . . . .	-	-	-	43,270
Total cash and cash equivalents. . . . .	<u>\$ 963,522</u>	<u>\$ 6,117</u>	<u>\$ 33,849</u>	<u>\$ 5,028,614</u>



**Total**

\$ 24,083,448  
50,453  
153,099  
(11,844,010)  
(221,581)  
(8,512,852)  
(2,158)  
3,706,399

38,551

38,551

(1,111,207)  
20,300  
(94,905)  
(3,477)  
(389,062)  
(250,230)  
-  
-  
(1,828,581)

136,761

1,450,589  
11,267  
(6,382)

1,592,235

3,508,604

2,523,498

\$ 6,032,102

2,798,553

3,190,279  
43,270

\$ 6,032,102

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**HOLMES COUNTY, OHIO**  
**STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<b>Business-Type Activities - Enterprise Funds</b>			
	<b>Sewer District</b>	<b>East Holmes Water</b>	<b>County Disposal</b>	<b>Joel Pomerene Hospital</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss). . . . .	\$ 313,934	\$ (5,355)	\$ (385,426)	\$ 2,029,462
Adjustments:				
Depreciation . . . . .	213,038	-	-	1,141,187
Bad debt expense . . . . .	-	-	-	1,011,306
Loss on sale of capital asset. . . . .	-	-	-	(32,351)
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable . . . . .	(44,653)	1,026	1,979	(201,501)
Increase in third party settlements. . . . .	-	-	-	(421,431)
Decrease in prepayments . . . . .	-	-	-	29,746
Decrease in accounts payable . . . . .	(4,986)	-	(340)	(109,770)
Increase in accrued expenses . . . . .	-	-	-	14,288
Increase in inventories. . . . .	-	-	-	(189,789)
Decrease in contracts payable . . . . .	(9,252)	-	-	-
Increase (decrease) in accrued wages and benefits . . . . .	(922)	-	257	-
Increase in landfill closure and postclosure care liability . . . . .	-	-	336,584	-
Increase in due to other governments. . . . .	121	-	18,801	-
Increase (decrease) in compensated absences payable . . . . .	(386)	-	832	-
Net cash provided by (used in) operating activities. . . . .	<u>\$ 466,894</u>	<u>\$ (4,329)</u>	<u>\$ (27,313)</u>	<u>\$ 3,271,147</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Total**

---

\$ 1,952,615  
1,354,225  
1,011,306  
(32,351)  
  
(243,149)  
(421,431)  
29,746  
(115,096)  
14,288  
(189,789)  
(9,252)  
(665)  
336,584  
18,922  
446

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\$ 3,706,399

**HOLMES COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUND  
DECEMBER 31, 2003

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 2,694,133
Cash in segregated accounts . . . . .	476,493
Receivables:	
Real estate and other taxes . . . . .	23,208,432
Accounts . . . . .	148,842
Due from other governments . . . . .	<u>728,131</u>
Total assets . . . . .	<u>\$ 27,256,031</u>
<b>Liabilities:</b>	
Due to other governments. . . . .	\$ 639,601
Accounts payable . . . . .	117,566
Undistributed monies . . . . .	<u>26,498,864</u>
Total liabilities . . . . .	<u>\$ 27,256,031</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 1 - DESCRIPTION OF THE COUNTY

Holmes County, Ohio (the "County"), was created in 1825. The County is governed by a Board of three commissioners elected by the voters of the County. The County Commissioners serve as the taxing authority, the contracting body and the chief administrators of public services for the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the County Auditor, Clerk of Courts, Treasurer, Prosecuting Attorney, Coroner, Engineer, Common Pleas Judge, probate and Juvenile Judge, County Court Judge, Sheriff, and Recorder. Although these elected officials manage the internal operations of their respective department, the County Commissioners serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the County.

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the County have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The County has the option to also apply FASB Statements and Interpretations issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The County has elected not to apply these FASB Statements and Interpretations.

The Hospital enterprise fund's financial information is presented in conformity with generally accepted accounting principles as recommended in the Audit Guide (Health Care Organizations) published by the American Institute of Certified Public Accountants. The Hospital applies the provisions of all relevant pronouncements, including those issued after November 30, 1989.

The most significant of the County's accounting policies are described below.

##### A. Reporting Entity

The County's reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity". The basic financial statements include all funds, agencies, boards, commissions, and component units for which the County and the County Commissioners are "accountable". Accountability as defined in GASB Statement No. 14 was evaluated based on financial accountability, the nature and significance of the potential component unit's (PCU) relationship with the County and whether exclusion would cause the County's basic financial statements to be misleading or incomplete. Among the factors considered were separate legal standing; appointment of a voting majority of the PCU's board; fiscal dependency and whether a benefit or burden relationship exists; imposition of will; and the nature and significance of the PCU's relationship with the County.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Based on the foregoing criteria, the financial activities of the following PCUs have been reflected in the accompanying basic financial statements as:

*DISCRETELY PRESENTED COMPONENT UNITS*

*Holmes County Regional Planning Commission (Commission)*

The Commission is governed by an eleven member board, of which seven are appointed by the County. The Commission imposes a financial burden on the County; therefore, the Commission has been included as a component unit of the County. Separate financial statements can be obtained from the Commission, County Administration Building, Millersburg, Ohio 44654.

*Holmes County Airport Authority (Airport Authority)*

The Airport board consists of seven members which are appointed by the County Commissioners of Holmes County. The Airport Authority imposes a financial burden on the County; therefore, the Airport Authority is a component unit of the County. Separate financial statements can be obtained from Holmes County Airport Authority of Holmes County, County Administration Building, Millersburg, Ohio 44654.

*Lynn Hope Industries, Inc. (Workshop)*

The Workshop is a legally separate, not-for-profit corporation, (organized under Section 501 (c) (3) of the Internal Revenue Code) served by a self-appointing board of trustees. The Workshop, under a contractual agreement with the Holmes County board of Mental Retardation and Development Disabilities, provides sheltered employment for mentally retarded or handicapped adults in Holmes County. The Holmes County Board of MRDD provides the Workshop with some expenses and personnel for operation of the Workshop including staff salaries, transportation, equipment (except that used directly in the production of goods or rendering of services), staff to administer and supervise training programs, various financial reporting, and other funds as necessary for the operation of the Workshop. Based on the significant services and resources provided by the County to the Workshop and the Workshop's sole purpose of providing assistance to the retarded and handicapped adults of Holmes County, the Workshop is reflected as a component unit of the County. Separately issued financial statements can be obtained from Lynn Hope Industries, Inc. of Holmes County, Holmesville, Ohio 44633.

Information in the following notes to the basic financial statements is applicable to the primary government. Information relative to the component units is identified in Notes 26, 27 and 28.

*POTENTIAL COMPONENT UNITS REPORTED AS AGENCY FUNDS*

As the custodian of public funds, the County Treasurer invests all public monies held on deposit in the County treasury. In the case of several separate agencies, boards and commissions, the County serves as fiscal agent but the organizations are not considered part of Holmes County. Accordingly, the activity of the following entities is presented as agency funds within Holmes County's financial statements: District Board of Health and Soil and Water Conservation.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*JOINT VENTURES WITHOUT EQUITY INTEREST*

*Alcohol, Drug Addiction and Mental Health Services Board of Wayne and Holmes Counties (Board)*

The Board, a joint venture of Wayne and Holmes County, has the responsibility for the development, funding, monitoring and evaluating of community based mental health programs. The Board is controlled by a joint board of trustees whose membership consists of five appointees of the State Board of mental Health, eight appointees of the Wayne County Commissioners, and two appointees of the Holmes County Commissioners. The Board exercises total control of the operations of the Board, including budgeting, appropriating, contracting, and designating management. Continued existence of the Board is dependent on the County's continued participation; however, the County does not have an equity interest in the Board. The Board is not accumulating significant financial resources or experiencing fiscal stress which would cause additional financial benefit to or burden on the County. A joint county property tax levy accounts for twenty-five percent of the Board's revenue. The County makes no additional contributions to the Board and has no approval authority over the tax levy. Complete financial statements for the Board can be obtained from The Alcohol, Drug Addiction and Mental Health Services Board, Holmes County, Ohio.

*JOINTLY GOVERNED ORGANIZATIONS*

*Multi-County Juvenile Attention Center (Center)*

The Multi-County Juvenile Attention Center is a jointly governed organization among Holmes, Tuscarawas, Carroll, Wayne, Stark and Columbiana Counties formed for the purpose of providing facilities for the training, treatment, and rehabilitation of delinquent, dependent, abused or neglected children. The operation of the Center is controlled by a joint board of commissioners whose membership consists of the three commissioners from each participating county. The board exercises total control over the operation of the Center including budgeting, appropriating, contracting and designating management. Budgets are adopted by the governing board of commissioners. Each County's degree of control is limited to its representation on the board. In 2003, the County contributed \$136,182 to the Center.

*Stark Regional Community Corrections Center (SRCCC)*

The SRCCC is a community based corrections facility that provides residents of the facility with educational, vocational, substance abuse and support counseling services. The facility is administered by a Judicial Corrections Board consisting of eleven common please court judges. The members consist of one judge from Holmes County, two judges each from Wayne and Tuscarawas Counties, and six judges from Stark County. The Board adopts its own budget, authorizes expenditures and hires and fires its own staff. SRCCC did not receive any funding from the County during 2003.

*Holmes County Family First Council (Council)*

The mission of the Council is to promote and facilitate collaboration among community agencies serving children and their families and to unite the community in promoting the well-being of children and their families through leadership advocacy, and coordination of services. The Board of Trustees is made up of 18 individuals from various organizations including 5 from the County.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*PUBLIC ENTITY RISK POOLS*

*County Risk Sharing Authority, Inc. (CORSA)*

The County Risk Sharing Authority, Inc., is a public entity risk pool among forty-one counties in Ohio. CORSA was formed as an Ohio nonprofit corporation for the purpose of establishing the CORSA Insurance/Self-Insurance Program, a group primary and excess insurance/self-insurance and risk management program. Member counties agree to jointly participate in coverage of losses and pay all contributions necessary for the specified insurance coverages provided by CORSA. These coverages include comprehensive general liability, automobile liability, certain property insurance and public officials' errors and omissions liability insurance.

Each member county has one vote on all matters requiring a vote, to be cast by a designated representative. The affairs of the Corporation are managed by an elected board of not more than nine trustees. Only county commissioners of member counties are eligible to serve on the Board. No county may have more than one representative on the Board at any time. Each member county's control over the budgeting and financing of CORSA is limited to its voting authority and any representation it may have on the Board of Trustees.

CORSA has issued certificates of participation in order to provide adequate cash reserves. The certificates are secured by the member counties' obligations to make coverage payments to CORSA. The participating counties have no responsibility for the payment of the certificates. The County's payment for insurance to CORSA in 2003 was \$169,155.

Financial statements may be obtained by contacting the County Commissioners Association of Ohio in Columbus, Ohio.

*County Commissioners Association of Ohio Workers' Compensation Group Rating Plan*

The County is participating in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The County Commissioners Association of Ohio Service Corporation (CCAOSC) was established through the County Commissioners Association of Ohio (CCAO) as a group purchasing pool. A group executive committee is responsible for calculating annual rate contributions and rebates, approving the selection of a third party administrator, reviewing and approving proposed third party fees, fees for risk management services and general management fees, determining ongoing eligibility of each participant and performing any other acts and functions which may be delegated to it by the participating employers. The group executive committee consists of seven members. Two members are the president and treasurer of CCAOSC; the remaining five members are representatives of the participants. These five members are elected for the ensuing year by the participants at a meeting held in the month of December each year. No participant can have more than one member of the group executive committee in any year, and each elected member shall be a county commissioner.



## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### *RELATED ORGANIZATIONS*

###### *Holmes County Public Library (Library)*

The Library provides services aimed at enriching the lives of the citizens of the County through an informed and connected community. The County appoints the governing board of the Library; however, the County cannot influence the Library's operation nor does the Library represent a potential financial benefit or burden on the County. The County serves in a ministerial capacity as taxing authority for the Library. Once the Library Board determines to present a levy to the voters, including the determination of its rate and duration, the County must place the levy on the ballot. The Library determines its own budget. The Library did not receive funding from the County in 2003.

###### *Holmes County Park District (District)*

The District provides conservation and recreation programs for the benefit of the County's citizens. The three Park District Commissioners are appointed by the Probate Judge of the County. The District hires and fires its own staff, and does not rely on the County to finance deficits. The County is not financially accountable for the District or is the District financially dependent on the County. The District serves as its own taxing and debt issuance authority. The District did not receive any funding from the County in 2003.

###### *Northeast Ohio Outreach Network (Network)*

The Network is controlled by three area hospitals, one of which is Joel Pomerene Memorial Hospital. The Network was established to receive federal grant monies from the U.S. Department of Housing and Urban Development (HUD). Funds are distributed to the Hospital directly from HUD as determined by the Network.

#### **B. Fund Accounting**

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

*General* - This is the primary operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

*Motor Vehicle License and Gas Tax* - This fund accounts for revenues derived from motor vehicle licenses, and gasoline taxes. Expenditures are restricted by State law to County road and bridge repair and maintenance programs.

*County Board of Mental Retardation and Developmentally Disabled (MR/DD)* - This fund accounts for the operation of a school and resident homes for the mentally retarded and developmentally disabled. Revenue sources include a property tax levy and federal/state grants.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Public Assistance - This fund accounts for various Federal and State grants used to provide public assistance to general relief recipients and pay their providers of medical assistance, and for certain public social services.

County Home - This fund accounts for room and board fees and property tax monies used for the operations of the county home.

Other governmental funds of the County are used to account for (a) financial resources to be used for the acquisition, construction, or improvement of capital facilities; (b) for the accumulation of resources for, and the repayment of, general long-term debt principal, interest and related costs and (c) for grants and other resources, the use of which is restricted to a particular purpose.

**Proprietary Funds** - Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service. The County has no internal service funds.

**Enterprise Funds** - Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The County has presented the following major enterprise funds:

Sewer District - This fund accounts for sanitary sewer services provided to individual and commercial users in the majority of the unincorporated areas of Holmes County. The costs of providing these services are financed primarily through user charges. The Sanitary Sewer District has its own facilities and rate structure.

County Disposal - This fund accounts for the \$2.00/ton royalty fee and expenses associated with the landfill, including landfill inspector, ground water monitoring and other landfill issues.

East Holmes Water - This fund accounts for revenues and expenses associated with water services provided to the East Holmes Industrial Park.

Hospital - This fund accounts for the operations of the Joel Pomerene Hospital.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the County's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County's only fiduciary funds are agency funds which account for monies held for other governments and undistributed assets.

**C. Basis of Presentation and Measurement Focus**

Government-wide Financial Statements - The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function or program of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

Fund Financial Statements - Fund financial statements report detailed information about the County. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of revenues, expenses and changes in net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the County's proprietary funds are charges for sales and services. Operating expenses for the enterprise fund include personnel and other expenses related to the operations of the enterprise activity. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Agency funds do not report a measurement focus as they do not report operations.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the basic financial statements. Government-wide financial statements are prepared using the full accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds use the full accrual basis of accounting. Differences in the full accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

*Revenues - Exchange and Non-exchange Transactions* - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the full accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within thirty-one days of year-end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, entitlements and donations. On a full accrual basis, revenue from sales taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from all other nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: sales tax (See Note 7.A.), interest, federal and state grants and subsidies, state-levied locally shared taxes (including motor vehicle license fees and gasoline taxes), fees and rentals.

*Deferred Revenue* - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Delinquent property taxes and property taxes for which there is an enforceable legal claim as of December 31, 2003, but which were levied to finance 2004 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met also are recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue.

*Expense/Expenditures* - On the full accrual basis of accounting, expenses are recognized at the time they are incurred.

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

#### **E. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are required to be budgeted and appropriated.

Budgetary information for the Rails-to-Trails capital projects fund, Hospital enterprise fund, and the Lynn Hope Industries Inc., Regional Planning Commission and Holmes County Airport Authority (component units) are not reported because they are not included in the entity for which the "appropriated budget" is adopted, and they do not themselves. The primary level of budgetary control is at the object level within each department and fund.

**Tax Budget** - A budget of estimated cash receipts and disbursements is submitted to the County Auditor, as secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year. All funds, except agency funds, are legally required to be budgeted. The expressed purpose of the Tax Budget is to reflect the need for existing (or increased) tax rates.

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy the full amount of authorized property tax rates and reviews revenue estimates. The Commission certifies its actions to the County by September 1. As part of this certification, the County receives the official Certificate of Estimated Resources, which states the projected revenue of each fund.

On or about January 1, the Certificate of Estimated Resources is amended to include unencumbered fund balances at December 31. Further amendments may be made during the year if the County Auditor determines that revenue to be collected will be greater than or less than the prior estimates and the Budget Commission finds the revised estimates to be reasonable. The amounts set forth in the budgetary statements represent estimates from the final amended certificate issued during 2003.

**Appropriations** - A temporary appropriation resolution to control cash disbursements may be passed on or about January 1 of each year for the period January 1 to March 31. An annual Appropriation Resolution must be passed by April 1 of each year for the period January 1 to December 31. The Appropriation Resolution may be amended or supplemented during the year as new information becomes available. Appropriations may not exceed estimated resources. The County legally adopted several supplemental appropriations during the year. The original budget and all budgetary amendments and supplemental appropriations necessary during 2003 are included in the final budget amounts in the budget-to-actual comparisons.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*Lapsing of Appropriations* - At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and is not reappropriated.

**F. Cash and Investments**

To improve cash management, cash received by the County is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the County's records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the basic financial statements.

During 2003, investments were limited to certificates of deposit, mutual funds, common stock, and STAR Ohio. The nonnegotiable certificates of deposit are nonparticipating investment contracts which are reported at cost. The investments in mutual funds and common stock are reported at fair value. The common stock, with a cost of \$47,837 and fair value of \$296,146 is not traded on a quoted market; therefore, the year end fair value is determined as the average of the high and low sales price for the last quarter of 2003. For the money market mutual fund, fair value is determined by the fund's share price at December 31, 2003. Nonparticipating investment contracts, such as certificates of deposit, are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission (SEC) as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2003.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during fiscal year 2003 amounted to \$255,327 which includes \$223,974 assigned from other County funds.

The County has segregated bank accounts for monies held separately from the County's central bank account. These interest-bearing depository accounts are presented on the financial statements as "Cash in Segregated Accounts" since they are not required to be deposited into the County treasury.

For presentation on the basic financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the County are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the Treasurer's investment account at year-end is provided in Note 4.

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

##### **G. Patient Accounts Receivable and Revenue**

The Joel Pomerene Hospital enterprise fund records a receivable and charges for services revenue when patient services are performed. Net charges for services are reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. In 2003, approximately 30 percent of the Hospital's total patient revenue was derived from Medicare payments while 9 percent was derived from Medicaid payments. Additionally, approximately 19 percent of the Hospital's total patient revenue was derived from individual self-payments in 2003. The remaining revenue was derived primarily from commercial insurance payments.

##### **H. Inventories of Materials and Supplies**

On the government-wide and fund financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

On fund financial statements, reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventories of the Hospital are stated at the lower of cost or market value determined by the first-in, first-out method and is expensed when used.

##### **I. Capital Assets**

Governmental capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County increased their capitalization threshold from \$500 to \$2,500 during 2003. The change in the capitalization policy was a result of differences in asset costs between the time that previous policy was adopted and the current fiscal year and due to a perceived lack of future economic benefit to be derived from deferring the costs of smaller capital assets (see Note 10). The County's infrastructure consists of roads, bridges, culverts and sanitary sewers. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

All reported capital assets are depreciated except for land and construction in process. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacements. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Improvements other than buildings	10 - 20 years	10 - 20 years
Buildings and improvements	20 - 40 years	20 - 40 years
Furniture, fixtures, machinery and equipment	4 - 7 years	5 years
Vehicles	10 years	10 years
Sewer/water lines	-	40 years
Infrastructure	20 - 50 years	20 - 50 years

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The County's policy is to capitalize net interest on construction projects until substantial completion of the project. The amount of capitalized interest equals the difference between the interest cost associated with the tax-exempt borrowing used to finance the project from the date of borrowing until completion of the project and the interest earned from temporary investment of the debt proceeds over the same period.

Capitalized interest is amortized on the straight-line method over the estimated useful life of the asset. For 2003, the net interest expense incurred on proprietary fund construction projects was not material.

**J. Compensated Absences**

Compensated absences of the County consist of vacation leave and sick leave to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the County and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. A liability for sick leave is based on the sick leave accumulated at December 31, 2003, by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. Sick leave benefits are accrued using the "Vesting" method. The County records a liability for accumulated unused sick leave for employees after 13 years of current service.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at December 31, 2003, and reduced to the maximum payment allowed by labor contract and/or statute, plus applicable additional salary related payments.

County employees earn vacation at varying rates ranging from two to five weeks per year. Sick leave is accumulated at the rate of 4.60 hours per 80 hours worked. Vacation and sick leave are accumulated on an hours worked basis. Vacation pay is vested after one year and sick pay upon eligibility for retirement. Accumulated vacation cannot exceed three times the annual accumulation rate for an employee.



**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as liabilities and expenditures in the fund financial statements to the extent payments come due each period upon the occurrence of employee resignations and retirements. The noncurrent portion of the liability is not reported in the governmental fund financial statements. For proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**K. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2003, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

**L. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported in the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability in the fund financial statements when due.

**M. Third-Party Settlements**

The Joel Pomerene Hospital enterprise fund has agreements with Medicare and Medicaid that provide for reimbursement at amounts different from its established rates. Contractual adjustments under third-party reimbursement programs represent the difference between the Joel Pomerene Hospital enterprise fund's established rates for services and amounts reimbursed by third-party payers. The Hospital has reached final settlement with Medicare through 1996 and Medicaid through 1994.

**N. Bond Issuance Costs**

Bond issuance costs for governmental activities are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond issuance costs are recorded as deferred charges, which is included in other assets on the statement of net assets.

**O. Assets Limited as to Use**

Assets limited as to use consist of invested funds designated for future capital improvements, funds invested in accordance with agreements with a third-party, and funds held by trustees under indenture agreements.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**P. Interfund Transactions**

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

During the normal course of operations, the County has numerous transactions between funds. Transfers represent movement of resources from a fund receiving revenue to a fund through which those resources will be expended and are recorded as other financing sources (uses) in governmental funds and as transfers in proprietary funds. Interfund transactions that would be treated as revenues and expenditures/expenses if they involved organizations external to the County are treated similarly when involving other funds of the County.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivable/interfund payable" for the current portion of interfund loans to/from other funds for the non-current portion of interfund loans. All other outstanding balances outstanding between funds are reported as "due to/from other funds." These amounts are eliminated in the Statement of Net Assets, except for any residual balances outstanding between the governmental activities and business-type activities, which are reported in the government-wide financial statements as "internal balances".

Loans between funds, as reported in the governmental fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**Q. Fund Balance Reserves and Designations**

Reserved or designated fund balances indicate that a portion of fund equity is not available for current appropriation or use. The unreserved or undesignated portions of fund equity reflected in the governmental funds are available for use within the specific purposes of the funds.

The County reports amounts representing encumbrances outstanding, prepayments, materials and supplies inventories, loans and debt service as reservations of fund balance in the governmental funds. The County reports amounts set-aside by the County Commissioners for possible contingencies related to future compensated absence liabilities as a designation of fund balance in the governmental funds.

**R. Charity Care**

The Joel Pomerene Hospital enterprise fund maintains a policy whereby care is provided to patients who meet certain criteria without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**S. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**T. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the County Commissioners and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal 2003.

**U. Estimates**

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

**NOTE 3 – ACCOUNTABILITY AND CHANGE IN ACCOUNTING PRINCIPLES**

**A. Changes in Accounting Principles and Restatement of Fund Balance**

For fiscal year 2003, the County has implemented GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 37, "Basic Financial Statements for State and Local Governments: Omnibus", GASB Statement No. 38, "Certain Financial Statement Note Disclosures", GASB Statement No. 41, "Budgetary Comparison Schedule - Perspective Differences", and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements". At December 31, 2002, there was no effect on fund balance as a result of implementing GASB Statement Nos. 37, 38 and 41.

GASB Statement No. 37 clarifies certain provisions of Statement No. 34, including the required content of the Management Discussion and Analysis, the classification of program revenues and the criteria for determining major funds. GASB Statement No. 38, modifies, establishes and rescinds certain financial statement note disclosures.

GASB Statement No. 41 allows the presentation of budgetary schedules as required supplementary information based on the fund, organization or program structure that the government uses for its legally adopted budget when significant budgetary perspective differences result in the County not being able to present budgetary comparison for the general and each major special revenue fund.

GASB Interpretation No. 6 clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 3 – ACCOUNTABILITY AND CHANGE IN ACCOUNTING PRINCIPLES - (Continued)**

GASB Statement No. 34 creates new basic financial statements for reporting on the County’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type. Nonmajor funds are presented in total in one column.

The government-wide financial statements split the County’s programs between business-type and governmental activities. Except for the restatement of fund equity explained in this note, the beginning net asset amount for the business-type activities equals fund equity of the enterprise funds from last year. The beginning net asset amount for governmental activities reflects the change in fund balance for governmental funds at December 31, 2002, caused by the conversion to the accrual basis of accounting.

**Governmental Activities - Fund Reclassification and Restatement of Fund Balance** - Certain governmental funds have been reclassified to properly reflect their intended purpose in accordance with the standards of GASB Statement No. 34. Certain funds previously reported as agency funds are now reported as special revenue funds. The County has also recorded prior period adjustments to properly exclude cash balances of the Holmes County Family and Children’s First Council (FCFC) from the special revenue funds and report them in an agency fund, to record the County’s portion of collected but undistributed taxes in the general and special revenue funds and to properly state loans receivable in the special revenue funds. It was also determined that GASB Interpretation No. 6 had an effect on fund balance as previously reported at December 31, 2002.

The fund reclassifications, prior period adjustments and the implementation of GASB Interpretation No. 6 had the following effect on the County’s governmental fund balances as previously reported:

	<u>General</u>	<u>Motor Vehicle and Gas Tax</u>	<u>County Board of MR/DD</u>	<u>Public Assistance</u>	<u>County Home</u>	<u>Nonmajor</u>	<u>Total</u>
Fund balance							
December 31, 2002	\$ 1,708,922	\$ 2,210,788	\$ 1,681,244	\$ 375,178	\$ 261,798	\$ 4,270,657	\$ 10,508,587
Fund reclassifications	-	-	-	-	-	72,048	72,048
Adjustment to exclude FCFC cash	-	-	-	(57,710)	-	(8,762)	(66,472)
Adjustment for property taxes	35,534	-	74,393	-	16,416	-	126,343
Adjustment for loans receivable	-	-	-	-	-	176,612	176,612
GASB interpretation No. 6 adjustments	<u>10,567</u>	<u>7,821</u>	<u>4,758</u>	<u>3,941</u>	<u>2,429</u>	<u>1,848</u>	<u>31,364</u>
Adjusted fund balance, December 31, 2002	<u>\$ 1,755,023</u>	<u>\$ 2,218,609</u>	<u>\$ 1,760,395</u>	<u>\$ 321,409</u>	<u>\$ 280,643</u>	<u>\$ 4,512,403</u>	<u>\$ 10,848,482</u>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 3 - ACCOUNTABILITY AND CHANGE IN ACCOUNTING PRINCIPLES - (Continued)**

The transition from governmental fund balance to net assets of the governmental activities is also presented.

Adjusted fund balance,	
December 31, 2002	\$ 10,848,482
GASB Statement No. 34 adjustments:	
Capital assets	24,074,975
Long-term liabilities	(6,968,679)
Accrued interest	(24,396)
Long-term (deferred assets)	<u>1,672,444</u>
Governmental activities net assets, December 31, 2002	<u>\$ 29,602,826</u>

***Business-Type Activities - Fund Reclassification and Restatement of Fund Equity*** - The capital assets of the business-type activities have been restated at December 31, 2002, to properly state the capital assets in accordance with the County's new capitalization threshold of \$2,500 (see Note 10.A. for detail). A prior period adjustment has also been recorded to properly state amounts loaned from the Wastewater Rotary special revenue fund to the Sewer enterprise fund.

In addition, as a result of error calculations in the landfill closure and postclosure care liability in prior years, a prior period adjustment has been recorded to properly state the landfill closure and postclosure care liability at December 31, 2002.

The adjustments for advances to other funds, capital assets and the landfill liability closure and postclosure care liability had the following effect on fund equity of the business-type activities as previously reported:

	Sewer District	East Holmes Water	County Disposal	Joel Pomerene Hospital	Total Enterprise
Fund equity (deficit) as previously reported	\$ 2,675,870	\$ 3,472	\$ (2,991,591)	\$ 17,219,398	\$ 16,907,149
Adjustment for capital assets	(33,866)	-	-	-	(33,866)
Adjustment for landfill closure and postclosure care liability	-	-	1,946,358	-	1,946,358
Adjustment for loans to other funds	<u>(176,612)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(176,612)</u>
Restated fund equity as of December 31, 2002	<u>\$ 2,465,392</u>	<u>\$ 3,472</u>	<u>\$ (1,045,233)</u>	<u>\$ 17,219,398</u>	<u>\$ 18,643,029</u>

As the error calculations in the landfill closure and postclosure care liability related to prior years, the effect on the change in fund equity for December 31, 2002 related to the prior period adjustment for the landfill closure and postclosure care liability is not determinable.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 3 - ACCOUNTABILITY AND CHANGE IN ACCOUNTING PRINCIPLES - (Continued)**

**B. Deficit Fund Balances/Net Assets**

	<u>Deficit</u>
<u>Major Funds</u>	
East Holmes Water	\$ 1,883
County Disposal	1,430,659
<u>Nonmajor Governmental Funds</u>	
ODNR Grant	2,677
Transportation Coordination Services	79,702
Domestic Violence	413

These funds complied with Ohio state law, which does not permit a cash basis deficit at year-end. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances/net assets resulted from adjustments for accrued liabilities.

**C. Legal Compliance**

Contrary to Section 5705.10, Ohio Revised Code, the ODNR Grant special revenue fund (a nonmajor governmental fund) had a negative cash fund balance as of December 31, 2003, indicating that revenue from other funds were used to pay obligations of this fund.

Contrary to Section 5705.39, Ohio Revised Code, the Public Assistance fund had original appropriations in excess of original estimated resources of \$292,786 and final appropriations in excess of final estimated resources of \$51,254. The Community Corrections fund (a nonmajor governmental fund) had original appropriations in excess of original estimated resources of \$129,144.

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS**

Monies held by the County are classified by State statute into two categories. Active monies are public monies determined to be necessary to meet current demand upon the County treasury. Active monies must be maintained either as cash in the County treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer, by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Monies held by the County which are not considered active are classified as inactive. Inactive monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)

2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio or its political subdivisions, provided that such political subdivisions are located wholly or partly within the County;
5. Time certificates of deposit or savings or deposit accounts, including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's Investment Pool (STAR Ohio);
8. Securities lending agreements in which the County lends securities and the eligible institution agrees to exchange either securities described in division (1) or (2) or cash or both securities and cash, equal value for equal value;
9. High grade commercial paper for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the County's total average portfolio; and
10. Bankers acceptances for a period not to exceed 180 days and in an amount not to exceed twenty-five percent of the County's total average portfolio.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the County, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The Hospital may deposit funds not needed for immediate expenses in interest-bearing or non-interest-bearing accounts or invest in United States government obligations.

*Undeposited Cash:* At year-end, the County had \$6,097 in undeposited cash which is included on the financial statements as part of "Equity in Pooled Cash and Cash Equivalents."

*Cash on Hand:* At year-end, the County had \$600 in undeposited cash on hand which is included on the basic financial statements of the County as part of "Equity in Pooled Cash and Cash Equivalents."

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)**

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits With Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

*Deposits:* At year-end, the carrying amount of the County's deposits, including nonnegotiable certificates of deposit and cash in segregated accounts, was \$22,874,323 and the bank balance, including nonnegotiable certificates of deposit and cash in segregated accounts, was \$23,109,702. Of the bank balance:

1. \$1,723,311 was covered by federal depository insurance; and
2. \$21,386,391 was uninsured and uncollateralized as defined by GASB although it was secured by collateral held by third party trustees, pursuant to section 135.181 Ohio Revised Code, in collateralized pools securing all public funds on deposit with specific depository institutions; these securities not being in the name of the County. Although all state statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the County to a successful claim by the FDIC.

*Investments:* The County's investments are required to be categorized to give an indication of the level of custodial credit risk assumed by the County at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the County's name. Mutual funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category	Fair
	<u>1</u>	<u>Value</u>
Hospital Enterprise Fund		
Common Stock	\$ 296,146	\$ 296,146
Mutual Fund	<u>-</u>	<u>7,598</u>
Total investments	<u>\$ 296,146</u>	<u>\$ 303,744</u>



**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 4 - EQUITY IN POOLED CASH AND INVESTMENTS - (Continued)**

**Assets Limited as to Use** Assets limited as to use that are required for obligations classified as current liabilities are reported in current assets.

The composition of assets limited to as to use is set forth in the following table:

Internally designated for future capital improvements:	
Cash and cash equivalents	\$ 3,190,279
Certificates of deposit	2,992,539
Investments in common stock and mutual funds	303,744
Interest receivable	<u>2,965</u>
	6,489,527
Funds available for future construction - cash and cash equivalents	43,270
Held in connection with debt service	<u>268,032</u>
Total assets limited as to use	<u>\$ 6,800,829</u>
Assets limited as to use - current portion	\$ 95,337
Assets limited as to use - long term portion	<u>6,705,592</u>
Total assets limited as to use	<u>\$ 6,800,929</u>

Funds available for future construction represent the unexpended proceeds from the County of Holmes Hospital Improvement Notes which were refinanced in 1991.

The classification of cash and cash equivalents, and investments on the financial statements is based on criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting."

A reconciliation between the classifications of cash and cash equivalents and investments on the financial statements and the classifications of deposits and investments presented above per GASB Statement No. 3 is as follows:

	<u>Cash and Cash</u> <u>Equivalents</u>	<u>Investments</u>	<u>Assets</u> <u>Limited as</u> <u>to Use</u>
GASB Statement No. 9	\$ 16,378,618	\$ -	\$ 6,800,929
Amounts in connection with debt service	268,032	-	268,032
Cash and cash equivalents	6,228,273	-	(6,228,273)
Investments	-	303,744	(303,744)
Interest receivable	-	-	(880)
Cash on hand	<u>(600)</u>	<u>-</u>	<u>-</u>
GASB Statement No. 3	<u>\$ 22,874,323</u>	<u>\$ 303,744</u>	<u>\$ 536,064</u>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 5 - INTERFUND TRANSACTIONS**

- A.** Interfund transfers for the year ended December 31, 2003, consisted of the following, as reported on the fund financial statements:

Transfers from general fund to:		
Nonmajor governmental funds	\$	836,366
Public Assistance fund		97,103
Transfers from County Board for MR/DD Fund to:		
Nonmajor governmental funds		<u>110,000</u>
Total	\$	<u><u>1,043,469</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

- B.** Due from/to other funds consisted of the following at December 31, 2003, as reported on the fund financial statements:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental funds	\$ 37,815
	Public Assistance	27,239
Nonmajor governmental funds	County Board of MR/DD	<u>2,304</u>
Total		<u><u>\$ 67,358</u></u>

Amounts due from/to other funds represent amounts owed between funds for goods or services provided. The balances resulted from the time lag between the dates that payments between the funds are made.

- C.** Interfund loans payable/receivable consisted of the following at December 31, 2003:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental fund	\$ 149

The interfund loan balance resulted from a negative cash balance in the ODNR Grant Fund (a nonmajor governmental fund). This interfund balance will be repaid in the next fiscal year as resources become available.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 5 - INTERFUND TRANSACTIONS – (Continued)**

D. Loans to/from other funds consisted of the following at December 31, 2003:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor governmental funds	\$ 55,000
Nonmajor governmental funds	East Holmes Water	8,000
	Sewer	<u>370,213</u>
Total		<u>\$ 433,213</u>

Loans to/from other funds represent long-term interfund loans that are not expected to be repaid within one year. During fiscal 2003, the general fund loaned the Transportation Coordination Fund (a nonmajor governmental fund) a total of \$55,000 which will be repaid over a period of approximately five years. The Wasterwater Treatment Rotary Fund (a nonmajor governmental fund) has loaned the East Holmes Water Fund and the Sewer Fund a total of \$8,000 and \$370,213, respectively, as of December 31, 2003. These loans are being paid back over a number of years as resources become available.

**NOTE 6 - PROPERTY TAXES**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the County. Real property taxes and public utility taxes are levied after October 1 on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by state law at 35% of appraised market value. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at 88% of true value for taxable transmission and distribution property and 25% of true value for all other taxable property. Tangible personal property taxes attach as a lien and are levied on January 1 of the current year. Tangible personal property assessments are 25% of true value. The assessed value upon which the 2003 taxes were collected was \$646,821,080. The full tax rate for all County operations applied to real property for fiscal year ended December 31, 2003, was \$12.55 per \$1,000 of assessed valuation.

The assessed values of real and tangible personal property upon which 2003 property tax receipts were based are as follows:

	<u>Assessed Value</u>
Real Estate	\$ 527,192,450
Public Utility Property	26,396,010
Tangible personal	<u>93,232,620</u>
Total Property Taxes	<u>\$ 646,821,080</u>

Real property taxes are payable annually or semi-annually. If paid annually, payment is due March 1. If paid semi-annually, the first payment is due March 1 and the remainder payable July 15. Under certain circumstances, State statute permits earlier or later payment dates to be established.

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 6 - PROPERTY TAXES – (Continued)

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits to the taxing districts their portions of the taxes collected. Collections of the taxes and remittance of them to the taxing districts are accounted for in various agency funds of the County. Tangible personal property taxes for unincorporated and single county businesses are due semi-annually, with the first payment due May 10 and the remainder payable by September 20. Due dates are normally extended an additional 30 days. The due date for the entire tax for inter-county businesses is September 20 or the extended date. The first \$10,000 of taxable value is exempt from taxation for each business by state law.

The lien date is either December 31 or the end of their fiscal year (for incorporated businesses in operation more than one year). Since each business must file a return to the County Auditor, the tangible personal taxes are not known until all the returns are received.

"Real estate and other taxes" receivable represents delinquent real and tangible personal property and public utility taxes outstanding as of December 31 (net of allowances for estimated uncollectibles) and real and public utility taxes which were measurable as of the year end.

Since the current levy is not intended to finance 2003 operations, the receivable is offset by a credit to "deferred revenue". The delinquent real, public utility and tangible personal property taxes that will become available to the County within the first 31 days of 2004 are shown as 2003 revenue; the remainder is shown as "deferred revenue". The eventual collection of significantly all real and public utility property taxes (both current and delinquent) is reasonably assured due to the County's ability to force foreclosure of the properties on which the taxes are levied.

#### NOTE 7 - RECEIVABLES

Receivables at December 31, 2003, consisted of taxes, accounts (billings for user charged services), interfund transactions related to charges for goods and services rendered, and intergovernmental receivables arising from grants, entitlements and shared revenue. All intergovernmental receivables have been classified as "Due From Other Governments" on the balance sheets and statement of net assets and all interfund transactions related to charges for goods and services rendered have been classified as "Due From Other Funds" on the balance sheets and statement of net assets. Receivables have been recorded as described in Note 2.D. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of state programs and the current year guarantee of federal funds.

##### A. Permissive Sales and Use Tax

In 1979, the County Commissioners by resolution imposed a one-half percent tax on all retail sales, made in the County, except sales of motor vehicles, and on the storage, use, or consumption in the County of tangible personal property, including automobiles, not subject to the sales tax. In 1989, the residents of the County voted to increase the tax by one-half percent for the purpose of new capital projects and in 1992 the voters approved another increase of one-quarter percent for the implementation and installation of a 911 system in the County. This three-quarter percent tax ended during 1998. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. The State Tax Commissioner certifies to the State Auditor the amount of the tax to be returned to the County. The Tax Commissioner's certification must be made within the forty-five days after the end of each month. The State Auditor then has five days in which to draw the warrant payable to the County.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 7 - RECEIVABLES - (Continued)**

Amounts that have been collected by the State and that are to be received within the available period are accrued as revenue on the fund financial statements. Each month, the sales tax revenue is allocated to three funds. The Debt Service fund receives a \$35,000, the Capital Improvements fund receives \$12,000 and the remainder is allocated to the General fund. Sales tax revenue for 2003 amounted to \$4,135,689 as reported on the fund financial statements.

**B. Intergovernmental**

A summary of the principal items of "Due From Other Governments" as reported on the fund financial statements follows:

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Amount</u>
<u>General Fund</u>	
Homestead and Rollback	\$ 99,695
Local Government	239,446
Revenue Assistance	96,242
Grants	<u>3,609</u>
Total	<u>438,992</u>
<u>County Board of MR/DD Fund</u>	
CAFS	120,350
Grants	78,558
Homestead and Rollback	<u>130,113</u>
Total	<u>329,021</u>
<u>Motor Vehicle License and Gas Tax Fund</u>	
Gasoline excise and motor vehicle license tax	<u>822,915</u>
Total	<u>822,915</u>
<u>Public Assistance Grant</u>	
Grants	177,442
Ohio Department of Jobs and Family Services	<u>751,968</u>
Total	<u>929,410</u>
<u>County Home</u>	
Grants	<u>42,628</u>
Total	<u>42,628</u>
<u>Nonmajor Governmental Funds</u>	
Child Support Enforcement	17,618
ODNR Grant	17,831
State Victims Assistance	9,330
Scenic Byways Grant	4,000
Probate Court Fund	34,119
Youth Services	9,770
Community Housing Improvement	186,793
Children Services	<u>164,499</u>
Total	<u>443,960</u>
<u>Agency Funds</u>	
County Public Library	98,560
Gasoline and License Tax	399,727
Park District	4,601
Undivided Municipal Permissive	1,556
Undivided Local Government Revenue	159,526
Undivided Local Government	<u>64,161</u>
Total	<u>728,131</u>
Grand Total	<u>\$ 3,735,057</u>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 8 - NET CHARGE FOR SERVICE REVENUE**

The County receives charges for services revenue in the enterprise funds for services provided to customers. The Joel Pomerene Hospital enterprise fund provides services to certain patients by various third-party payer arrangements that provides for payments to the Joel Pomerene Hospital enterprise fund at amounts different from its established rates. Gross charges for services revenue and the allowance to reconcile to net charges for services are as follows:

	<u>East Holmes Water</u>	<u>Sewer District</u>	<u>Joel Pomerene Hospital</u>	<u>Charges for Services Total</u>
Gross Charges for Service Revenue	\$ 3,418	\$ 902,225	\$ 35,834,501	\$ 36,740,144
Revenue Deductions:				
Provision for Contractual Allowances	-	-	(11,414,886)	(11,414,886)
Provision for Prompt Payment Discounts	<u>-</u>	<u>-</u>	<u>(575,251)</u>	<u>(575,251)</u>
Net Charges for Services Revenue	<u>\$ 3,418</u>	<u>\$ 902,225</u>	<u>\$ 23,844,364</u>	<u>\$ 24,750,007</u>

**NOTE 9 - ACCOUNTS RECEIVABLE**

Accounts receivable for the enterprise funds consist of billings for user charged services. A summary of the established allowances follows:

	<u>Gross Receivable</u>	<u>Contractual Adjustments</u>	<u>Uncollectible Adjustments</u>	<u>Net Receivable</u>
Sewer District	\$ 51,364	\$ -	\$ -	\$ 51,364
County Disposal	1,143	-	-	1,143
Joel Pomerene Hospital	<u>6,678,713</u>	<u>(1,709,068)</u>	<u>(1,015,000)</u>	<u>3,954,645</u>
Total Enterprise Funds	<u>\$ 6,731,220</u>	<u>\$ (1,709,068)</u>	<u>\$ (1,015,000)</u>	<u>\$ 4,007,152</u>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 10 - CAPITAL ASSETS**

- A. The capital asset balances of the governmental activities and business-type activities have been restated due to an increase of the County's capitalization threshold from \$500 to \$2,500. In addition, the governmental activities capital asset balances have been restated to include infrastructure and report accumulated depreciation in accordance with GASB Statement No. 34. These adjustments had the following effect on the balances previously reported:

	Balance		Restated
	12/31/02	Adjustments	Balance
<b><u>Governmental Activities:</u></b>			<u>12/31/02</u>
Land	\$ 1,166,200	\$ (225,181)	\$ 941,019
Buildings	17,962,293	(197,164)	17,765,129
Improvements other than buildings	60,728	(4,944)	55,784
Furniture, fixtures and equipment	3,829,349	(1,669,708)	2,159,641
Vehicles	2,861,527	87,172	2,948,699
Construction in progress	-	-	-
Infrastructure	-	15,759,844	15,759,844
Less: accumulated depreciation	-	(15,555,141)	(15,555,141)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u>\$ 25,880,097</u>	<u>\$ (1,805,122)</u>	<u>\$ 24,074,975</u>
	Balance		Restated
	12/31/02	Adjustments	Balance
<b><u>Business-Type Activities:</u></b>			<u>12/31/02</u>
Land	\$ 1,195,359	\$ (22,270)	\$ 1,173,089
Buildings	2,560,421	-	2,560,421
Equipment and machinery	746,285	(12,300)	733,985
Sewer/water lines	3,735,015	-	3,735,015
Construction in progress	55,310	-	55,310
Building and fixed equipment	11,172,671	-	11,172,671
Moveable inventory	9,583,245	-	9,583,245
Sub-specialty medical clinic	214,198	-	214,198
Modular medical office building	560,323	-	560,323
Less: accumulated depreciation	(14,642,547)	704	(14,641,843)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u>\$ 15,180,280</u>	<u>\$ (33,866)</u>	<u>\$ 15,146,414</u>



**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 10 - CAPITAL ASSETS - (Continued)**

**B.** Capital asset activity for the fiscal year ended December 31, 2003, was as follows:

	Restated Balance <u>12/31/02</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>12/31/03</u>
<b><u>Governmental Activities:</u></b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 941,019	\$ -	\$ -	\$ 941,019
Total capital assets, not being depreciated	<u>941,019</u>	<u>-</u>	<u>-</u>	<u>941,019</u>
<i>Capital assets, being depreciated:</i>				
Buildings	17,765,129	-	-	17,765,129
Improvements other than buildings	55,784	-	-	55,784
Furniture, fixtures and equipment	2,159,641	265,554	(13,652)	2,411,543
Vehicles	2,948,699	222,251	(253,364)	2,917,586
Infrastructure	<u>15,759,844</u>	<u>862,680</u>	<u>-</u>	<u>16,622,524</u>
Total capital assets, being depreciated	<u>38,689,097</u>	<u>1,350,485</u>	<u>(267,016)</u>	<u>39,772,566</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(5,279,139)	(459,924)	-	(5,739,063)
Improvements other than buildings	(28,459)	(1,653)	-	(30,112)
Furniture, fixtures and equipment	(1,900,014)	(139,982)	12,752	(2,027,244)
Vehicles	(1,490,200)	(276,997)	163,889	(1,603,308)
Infrastructure	<u>(6,857,329)</u>	<u>(613,304)</u>	<u>-</u>	<u>(7,470,633)</u>
Total accumulated depreciation	<u>(15,555,141)</u>	<u>(1,491,860)</u>	<u>176,641</u>	<u>(16,870,360)</u>
Total capital assets, being depreciated net	<u>23,133,956</u>	<u>(141,375)</u>	<u>(90,375)</u>	<u>22,902,206</u>
Governmental activities capital assets, net	<u>\$ 24,074,975</u>	<u>\$ (141,375)</u>	<u>\$ (90,375)</u>	<u>\$ 23,843,225</u>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 10 - CAPITAL ASSETS - (Continued)**

	Restated Balance 12/31/02	Additions	Deductions	Balance 12/31/03
<b><u>Business-Type Activities:</u></b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 1,173,089	\$ 8,072	\$ -	\$ 1,181,161
Construction in progress	<u>55,310</u>	<u>27,641</u>	<u>-</u>	<u>82,951</u>
Total capital assets, not being depreciated	<u>1,228,399</u>	<u>35,713</u>	<u>-</u>	<u>1,264,112</u>
<i>Capital assets, being depreciated:</i>				
Buildings and improvement	2,560,421	-	-	2,560,421
Equipment and machinery	733,985	4,500	-	738,485
Sewer/water lines	3,735,015	-	-	3,735,015
Building and fixed equipment	11,172,671	142,878	(3,794)	11,311,755
Moveable inventory	9,583,245	928,108	(618,122)	9,893,231
Sub-specialty medical clinic	214,198	-	-	214,198
Modular medical office building	<u>560,323</u>	<u>-</u>	<u>-</u>	<u>560,323</u>
Total capital assets, being depreciated	<u>28,559,858</u>	<u>1,075,486</u>	<u>(621,916)</u>	<u>29,013,428</u>
<i>Less: accumulated depreciation:</i>				
Buildings and improvements	(668,902)	(64,321)	-	(733,223)
Equipment and machinery	(155,147)	(35,342)	-	(190,489)
Sewer/water lines	(1,072,306)	(113,375)	-	(1,185,681)
Building and fixed equipment	(6,613,946)	(615,183)	295,400	(6,933,729)
Moveable inventory	(5,673,045)	(527,666)	253,377	(5,947,334)
Sub-specialty medical clinic	(126,800)	(11,794)	5,663	(132,931)
Modular medical office building	<u>(331,697)</u>	<u>(30,852)</u>	<u>14,815</u>	<u>(347,734)</u>
Total accumulated depreciation	<u>(14,641,843)</u>	<u>(1,398,533)</u>	<u>569,255</u>	<u>(15,471,121)</u>
Total capital assets, being depreciated net	<u>13,918,015</u>	<u>(323,047)</u>	<u>(52,661)</u>	<u>13,542,307</u>
Business-type activities capital assets, net	<u>\$ 15,146,414</u>	<u>\$ (287,334)</u>	<u>\$ (52,661)</u>	<u>\$ 14,806,419</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

Legislative and executive	\$ 381,684
Judicial	27,340
Public safety	75,390
Public works	709,672
Health	20,836
Human services	273,455
Conservation and recreation	<u>3,483</u>
Total depreciation expense - governmental activities	<u>\$ 1,491,860</u>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 11 - CAPITAL LEASES - LESSEE DISCLOSURE**

The Hospital has entered in various non-cancelable lease agreements for equipment. These capital leases are due in monthly installments including interest at a rate of 4.4 percent. They expire at various times through 2008 and are collateralized by the equipment leased.

The Sewer enterprise funds have entered into capital leases for the acquisition of equipment. These leases meet the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases," Capital assets were capitalized at the present value of the minimum lease payments at the time the lease was entered into. The leased equipment is reported in the enterprise funds at \$477,115, which is equal to the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation through December 31, 2003 amount to \$66,183 leaving a book value of \$410,932. Such agreements provide for minimum, annual lease payments as follows:

<u>Year</u>	<u>Hospital</u>	<u>Sewer</u>	<u>Total</u>
2004	\$ 85,352	\$ 15,404	\$ 100,756
2005	85,352	15,404	100,756
2006	85,352	15,405	100,757
2007	85,352	15,405	100,757
2008	<u>35,563</u>	<u>-</u>	<u>35,563</u>
Total minimum lease payments	376,971	61,618	438,589
Less: amounts representing interest	<u>(33,819)</u>	<u>(6,930)</u>	<u>(40,749)</u>
Present value of minimum lease payments	<u>\$ 343,152</u>	<u>\$ 54,688</u>	<u>\$ 397,840</u>

**NOTE 12 - OPERATING LEASES - LESSEE DISCLOSURE**

The Hospital has entered into various operating lease agreements for equipment which expired at various times during 2003. Equipment operating lease expense totaled \$149,490 in 2003.

Effective March 1, 1999, the Hospital signed a six year lease agreement for office space from Aultman Health Foundation. The lease is set to expire March 1, 2005. Office lease expense totaled \$218,571 in 2003.

**NOTE 13 - OTHER EMPLOYEE BENEFITS**

**A. Compensated Absences**

County employees earn vacation and sick leave at varying rates depending on length of service and department policy. All accumulated, unused vacation time is paid upon separation if the employee has at least one year of service with the County.

Employees earn sick leave at a rate of 4.60 hours of sick leave for each completed 80 hours in active pay status. Sick leave accumulation is unlimited. Upon retirement or death, an employee can be paid twenty-five percent to a maximum of 30 days of accumulated, unused sick leave. As of December 31, 2003, the total liability for unpaid compensated absences was \$878,847 (both governmental and business-type activities).

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 13 - OTHER EMPLOYEE BENEFITS - (Continued)**

**B. Health and Life Insurance**

The County provides health insurance to its employees through Aultcare of Ohio. The County also provides life insurance and accidental death and dismemberment insurance to its employees through Ohio National Life.

**NOTE 14 - LONG-TERM OBLIGATIONS**

**A. Governmental Long-Term Obligations**

The balance of the County's governmental activities long-term obligations at December 31, 2002 has been restated. The compensated absences liability increased \$31,459 from \$846,302 to \$877,761 due to the implementation of GASB Interpretation No. 6 as described in Note 3.A. The effect on the total governmental activities long-term obligations at January 1, 2003 was an increase from \$6,937,220 to \$6,968,679. During the fiscal year 2003, the following changes occurred in the County's governmental long-term obligations:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Restated Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>	<u>Amount Due in One Year</u>
<u>General obligation bonds:</u>							
Series 1994 Jail bond	2024	5.25%	\$ 2,325,000	\$ -	\$ (58,000)	\$ 2,267,000	\$ 62,000
Series 1995 Various purpose bond	2019	3.9-5.8%	1,515,000	-	(80,000)	1,435,000	85,000
Series 1998 Capital facilities bond	2012	4.25%	<u>1,765,000</u>	<u>-</u>	<u>(145,000)</u>	<u>1,620,000</u>	<u>150,000</u>
Total general obligation bonds			<u>\$ 5,605,000</u>	<u>\$ -</u>	<u>\$ (283,000)</u>	<u>\$ 5,322,000</u>	<u>\$ 297,000</u>
<u>Other long-term obligations:</u>							
Compensated absences payable			\$ 877,761	\$ 634,653	\$ (647,045)	\$ 865,369	\$ 625,522
Intergovernmental payable			<u>485,918</u>	<u>-</u>	<u>(485,918)</u>	<u>-</u>	<u>-</u>
Total other long-term obligations			<u>\$ 1,363,679</u>	<u>\$ 634,653</u>	<u>\$ (1,132,963)</u>	<u>\$ 865,369</u>	<u>\$ 625,522</u>
Total general long-term obligations			<u>\$ 6,968,679</u>	<u>\$ 634,653</u>	<u>\$ (1,415,963)</u>	<u>\$ 6,187,369</u>	<u>\$ 922,522</u>

General Obligation Bonds: The general obligation bonds are supported by the full faith and credit of the County. The 1994 jail bond will be repaid with sales taxes revenue. The various purpose and capital facilities bonds will be repaid with rental revenue of the human services building and with sales taxes.

Compensated Absences: Sick leave and vacation benefits will be paid from the fund from which the person is paid.

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

*Future Debt Service Requirements:* The following is a summary of the County's future annual debt service principal and interest requirements for general obligation bonds:

<u>Year Ended</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 297,000	\$ 279,661	\$ 576,661
2005	310,000	264,293	574,293
2006	293,000	246,958	539,958
2007	307,000	233,173	540,173
2008	321,000	218,605	539,605
2009-2013	1,643,000	827,614	2,470,614
2014-2018	1,111,000	467,287	1,578,287
2019-2023	868,000	172,863	1,040,863
2024	172,000	9,030	181,030
<b>Total</b>	<b>\$ 5,322,000</b>	<b>\$ 2,719,484</b>	<b>\$ 8,041,484</b>

**B. Business-Type Long-term Obligations**

The balance of the County's business-type activities long-term obligations at December 31, 2002 has been restated by \$1,946,358 to properly state the landfill closure and postclosure care liability (see Note 3.A). During fiscal year 2003, the following changes occurred in the County's business-type long-term obligations:

	<u>Maturity</u>	<u>Interest</u>	<u>Restated</u>			<u>Balance</u>	<u>Amounts</u>
	<u>Date</u>	<u>Rate</u>	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/03</u>	<u>Due in</u>
			<u>12/31/02</u>				<u>One Year</u>
<u>Revenue bonds:</u>							
Series 1991 Hospital bonds	2017	5.875%	\$ 1,311,085	\$ -	\$ (350,250)	\$ 960,835	\$ 51,000
Series 1997 Sewer bonds	2037	5.0%	2,841,000	-	(32,000)	2,809,000	33,000
<b>Total revenue bonds</b>			<b>\$ 4,152,085</b>	<b>\$ -</b>	<b>\$ (382,250)</b>	<b>\$ 3,769,835</b>	<b>\$ 84,000</b>
<u>OPWC Loans:</u>							
Sanitary Sewer Plant	2022	0%	\$ 56,769	\$ -	\$ (2,911)	\$ 53,858	\$ 2,911
Mt. Hope	2021	0%	70,218	-	(3,901)	66,317	3,901
<b>Total OPWC loans</b>			<b>\$ 126,987</b>	<b>\$ -</b>	<b>\$ (6,812)</b>	<b>\$ 120,175</b>	<b>\$ 6,812</b>
<u>Other long-term obligations:</u>							
Capital leases-equipment			\$ 110,245	\$ 382,500	\$ (94,905)	\$ 397,840	\$ 121,751
Landfill closure and postclosure care liability			1,470,563	336,584	-	1,807,147	-
Compensated absences			13,032	13,478	(13,032)	13,478	13,478
<b>Total other long-term obligations</b>			<b>\$ 1,593,840</b>	<b>\$ 732,562</b>	<b>\$ (107,937)</b>	<b>\$ 2,218,465</b>	<b>\$ 135,229</b>
<b>Total business-type long-term obligations</b>			<b>\$ 5,872,912</b>	<b>\$ 732,562</b>	<b>\$ (496,999)</b>	<b>\$ 6,108,475</b>	<b>\$ 226,041</b>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

The capital leases and the sewer revenue bonds reported in the enterprise funds will be repaid from charges for services revenue. The Joel Pomerene Hospital revenue bonds require the Hospital to make monthly payments into debt service reserve funds. Further, these bonds require the Hospital to maintain adequate insurance coverage and obtain FmHA permission prior to incurring any new debt.

The following is a summary of the future debt service requirements of the revenue bonds:

Year Ended	Revenue bonds			OPWC Loans		
	Principal	Interest	Total	Principal	Interest	Total
2004	\$ 84,000	\$ 197,031	\$ 281,031	\$ 6,812	\$ -	\$ 6,812
2005	89,000	192,385	281,385	6,812	-	6,812
2006	94,000	187,454	281,454	6,812	-	6,812
2007	99,000	182,255	281,255	6,812	-	6,812
2008	105,000	176,771	281,771	6,813	-	6,813
2009 - 2013	616,000	790,085	1,406,085	34,062	-	34,062
2014 - 2018	585,835	605,171	1,191,006	34,061	-	34,061
2019 - 2023	380,000	488,100	868,100	17,991	-	17,991
2024 - 2028	484,000	383,300	867,300			
2029 - 2033	618,000	249,500	867,500			
2034 - 2037	615,000	78,700	693,700	-	-	-
<b>Total</b>	<b>\$ 3,769,835</b>	<b>\$ 3,530,752</b>	<b>\$ 7,300,587</b>	<b>\$ 120,175</b>	<b>\$ -</b>	<b>\$ 120,175</b>

- C. The Ohio Revised Code provides that the net general obligation debt of the County, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed one percent of the total assessed valuation of the County.

The Code further provides that the total voted and unvoted net debt of the County, less the same exempt debt, shall never exceed a sum equal to three percent of the first \$100,000,000 of the assessed valuation, plus one and one-half percent of such valuation in excess of \$100,000,000 and net in excess of \$300,000,000, plus two and one-half percent of such valuation in excess of \$300,000,000. Based on this calculation, the County's voted legal debt margin was \$13,123,809 at December 31, 2003 and the unvoted legal debt margin was \$4,921,493 at December 31, 2003.

**NOTE 15 - NOTE PAYABLE**

A summary of the note transactions for the year ended December 31, 2003, follows:

	Original Amount	Outstanding 12/31/02	Additions	Reductions	Outstanding 12/31/03
Rails-to-Trails Note 6.0%	\$ 245,625	\$ 174,586	\$ 16,762	\$ -	\$ 191,348

The note is backed by the full faith and credit of Holmes County and will mature in September 2004. This note is reported in the Rails-to-Trails capital project fund (a nonmajor governmental fund).

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 16 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2003, the County contracted with the County Risk Sharing Authority, Inc. (CORSA) for liability, property, and crime insurance. The CORSA program has a \$2,500 deductible.

Coverage provided by CORSA is as follows:

General Liability (per occurrence)	\$ 6,000,000
Stop Loss (aggregate excess)	1,000,000
Automobile Liability (per occurrence)	6,000,000
Uninsured Motorist Liability (per occurrence)	250,000
Law Enforcement Liability (per occurrence)	6,000,000
Errors and Omissions Liability	
- Per occurrence	6,000,000
- Annual aggregate	6,000,000
Crime Coverage (per each occurrence)	
Employee Dishonesty/Faithful Performance	1,000,000
Money and Securities (inside and outside)	1,000,000
Depositor's Forgery	1,000,000
Money Orders and Counterfeit Paper Currency	1,000,000
Building and Contents	52,455,660
Other Property Insurance:	
Valuable Papers	1,000,000
Extra Expense	1,000,000
Electronic Data Processing	Replacement Cost
Contractors Equipment	Actual Cash Value
Inland Marine	1,000,000
Motortruck Cargo	100,000
Flood and Earthquake (pool limit)	100,000,000
Auto Physical Damage	Actual Cash Value
Comprehensive Boiler and Machinery	100,000,000
EDP Equipment	100,000 per policy
EDP Media	100,000 per policy
Unintentional omissions (per occurrence)	250,000
Newly acquired location	5,000,000
Debris Removal	1,000,000 each

With the exception of health insurance, and workers' compensation, all insurance is held with CORSA. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year. The County pays all elected officials' bonds by statute.

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 16 - RISK MANAGEMENT - (Continued)

For 2003, the County participated in the County Commissioners Association of Ohio Workers' Compensation Group Rating Plan (Plan), an insurance purchasing pool. (See Note 27). The Plan is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for the participants. The workers' compensation experience of the participating counties is calculated as one experience and a common premium rate is applied to all participants in the Plan. Each participant pays its workers' compensation premium to the State based on the rate for the Plan rather than its individual rate. In order to allocate the savings derived by formation of the Plan, and to maximize the number of participants in the Plan, the Plan's executive committee annually calculates the total savings percentage of the Plan. The Plan's executive committee then collects rate contributions from or pays rate equalization rebates to various participants. Participation in the Plan is limited to counties that can meet the Plan's selection criteria.

The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the Plan. Each year, the County pays an enrollment fee to the Plan to cover the costs of administering the program.

The County may withdraw from the Plan if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Plan prior to withdrawal, and any participant leaving the Plan allows the representatives of the Plan to access loss experience for three years following the last year of participation.

The Hospital is fully insured for employee health benefits through a commercial carrier. The Hospital pays a monthly premium for their employees' health insurance.

#### NOTE 17 - DEFINED BENEFIT PENSION PLANS

##### A. Ohio Public Employees Retirement System

All County full-time employees, other than teachers, participate in the Ohio Public Employees Retirement System of Ohio (OPERS), a cost-sharing multiple-employer public employee retirement system created by the State of Ohio. OPERS provides basic retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report which may be obtained by writing to the Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS (7377).



**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rate for 2003 and 2002 was 8.5% for employees other than law enforcement. The law enforcement classification consisted of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.1%. Public safety division members contribute at 9%. The employer contribution rate for employees other than law enforcement and public safety division was 13.55% of covered payroll and 8.55% was the portion used to fund pension obligations for 2003. The employer contribution rate for law enforcement and public safety divisions was 16.70% of covered payroll and 11.70% was the portion used to fund pension obligations for 2003. Required employer contributions are equal to 100% of the dollar amount billed to each employer and must be extracted from the employer's records. The County's contributions for pension obligations to OPERS for the years ended December 31, 2003, 2002, and 2001 were \$1,011,447, \$1,626,456, and \$1,411,947, respectively; equal to their required contributions for each year.

**B. State Teachers Retirement System**

Certified teachers employed by the school for the Mentally Retarded/Developmentally Disabled participate in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS Ohio provides basic retirement benefits, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code.

STRS Ohio issues a publicly available financial report that includes financial statements and required supplementary information for STRS Ohio. That report may be obtained by writing to the State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771.

Plan members are required to contribute 9.3% of their annual covered salary and the County is required to contribute 14%; 13% was the portion used to fund pension obligations. The portion to fund pension obligations for 2002 was 9.5%. Contribution rates are established by STRS Ohio Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. The County's contributions for pension obligations to STRS Ohio for the years ended December 31, 2003, 2002, and 2001 were \$100,732, \$29,597, and \$31,290, respectively; equal to their required contributions for each year.

## HOLMES COUNTY, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2003

#### NOTE 18 - POSTEMPLOYMENT BENEFITS

##### A. Ohio Public Employees Retirement System

OPERS provides postretirement health care coverage to age and service retirants with 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and primary survivor recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits other than Pension Benefits by State and Local Government Employers". A portion of each employer's contribution to OPERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The OPERS law enforcement program is separated into two divisions, law enforcement and public safety, with separate employee contribution rates and benefits. The 2003 employer contribution rate for local government employers was 13.55% of covered payroll and 5.00% was the portion that was used to fund health care. For both the public safety and law enforcement divisions the 2003 employer rate was 16.70% of covered payroll and 5.00% was the portion used to fund health care.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS. The County's contribution actually made to fund postemployment benefits was \$591,490.

OPEB are financed through employer contributions and investment earnings thereon. The contributions allocated to retiree health care, along with investment income on allocated assets and periodic adjustments in health care provisions, are expected to be sufficient to sustain the program indefinitely. OPEB's are advance funded on an actuarially determined basis.

As of December 31, 2002 (the latest information available), the actuarial value of the Retirement System's net assets available for future OPEB payments were \$10.0 billion. The actuarially accrued liability and the unfunded actuarial accrued liability, based on the actuarial cost method used, were \$18.7 billion and \$8.7 billion, respectively, at December 31, 2002 (the latest information available). The number of benefit recipients eligible for OPEB at December 31, 2002 (the latest information available) was 364,881.

In December 2001, the OPERS Board adopted the Health Care "Choices" Plan in its continuing effort to respond to the rise in the cost of health care. The Choices Plan will be offered to all persons newly hired under OPERS after January 1, 2003, with no prior service credit accumulated toward health care coverage. Choices, as the name suggests, will incorporate a cafeteria approach, offering a more broad range of health care options. The Plan uses a graded scale from ten to thirty years to calculate a monthly health care benefit. This is in contrast to the ten-year "cliff" eligibility standard for the present Plan.

The benefit recipient will be free to select the option that best meets their needs. Recipients will fund health care costs in excess of their monthly health care benefit. The Plan will also offer a spending account feature, enabling the benefit recipient to apply their allowance toward specific medical expenses, much like a Medical Spending Account.

Additional information on the OPERS, including historical trend information showing the progress in accumulating sufficient assets to pay benefits when due is available in the OPERS December 31, 2003, Comprehensive Annual Financial Report.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 18 - POSTEMPLOYMENT BENEFITS - (Continued)**

In January 2001, House Bill 416 divided the OPERS law enforcement program into two separate divisions with separate employee contribution rates and benefits. The law enforcement classification consisted of sheriffs, deputy sheriffs, and township police with an employee contribution rate of 10.1%. All other members of the OPERS law enforcement program were placed in a newly named public safety division and continue to contribute at 9.0%. The employer contribution rate for both the law enforcement and public safety divisions is 16.70%.

Law enforcement officer benefits permit age and service retirement at an earlier age with a different formula than that for OPERS members not covered under this division.

Additional information on the OPERS, including historical trend information showing the progress in accumulating sufficient assets to pay benefits when due, is available in the OPERS December 31, 2002, Comprehensive Annual Financial Report.

**B. State Teachers Retirement System of Ohio**

Comprehensive health care benefits are provided to retired teachers and their dependents through the STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Benefit provisions and the obligations to contribute are established by the State Teachers Retirement Board based on authority granted by State statute.

All benefit recipients are required to pay a portion of the health care cost in the form of a monthly premium. Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to the Health Care Stabilization Fund equal to 1.0% of covered payroll for the fiscal year ended June 30, 2003. For the County, this amount equaled \$7,749 during calendar year 2003. As of June 30, 2003, the balance in the Health Care Stabilization Fund was \$2.8 billion and eligible benefit recipients totaled 108,294 for STRS Ohio as a whole. For the fiscal year ended June 30, 2003, net health care costs paid by STRS Ohio were \$352.301 million.

**NOTE 19 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The Statement of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) presented for the general fund and major special revenue funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 19 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

(c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to a reservation of fund balance for that portion of outstanding encumbrances not already recognized as payables (GAAP basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund and major special revenue funds are as follows:

**Net Change in Fund Balances**

	<u>General</u>	<u>Motor Vehicle License and Gas Tax</u>	<u>County Board of MR/DD</u>	<u>Public Assistance</u>	<u>County Home</u>
Budget basis	\$ (272,193)	\$ (205,331)	\$ (172,367)	\$ 81,002	\$ 68,458
Net adjustment for revenue accruals	326,085	(30,165)	97,026	606,235	(31,085)
Net adjustment for expenditure accruals	(503,406)	(6,650)	(72,226)	(41,569)	(9,596)
Net adjustment for other financing sources/(uses)	55,000	-	-	-	-
Encumbrances (budget basis)	<u>53,185</u>	<u>174,755</u>	<u>-</u>	<u>-</u>	<u>-</u>
GAAP Basis	<u>\$ (341,329)</u>	<u>\$ (67,391)</u>	<u>\$ (147,567)</u>	<u>\$ 645,668</u>	<u>\$ 27,777</u>

**NOTE 20 - CONTINGENCIES**

**A. Grants**

The County received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the County at December 31, 2003.

**B. Litigation**

The County is party to legal proceedings. The County's management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material adverse effect, if any, on the financial condition of the County at December 31, 2003.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 21 – LANDFILL CLOSURE AND POSTCLOSURE CARE COST**

State and federal regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The \$1,807,147 reported as landfill closure and postclosure care liability at December 31, 2003, represents the cumulative amount reported to date based on the use of 36.6 percent of the estimated capacity of the landfill. Based on current usage, the remaining useful life is estimated to be 67 years. At December 31, 2003, the total estimated cost to perform closure and postclosure care of the landfill was \$4,931,980. This amount represents an estimate of what it would cost to perform all closure and postclosure care at December 31, 2003. The County will recognize the remaining estimated cost of closure and postclosure care of \$3,124,833 as the remaining estimated capacity is filled. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and federal laws and regulations to make annual contributions to finance closure and postclosure care or to pass a financial accountability test. The County has passed the financial accountability test in which the County has proven to be able to self-fund these future costs.

**NOTE 22 - CHARITY CARE**

The Hospital provides uncompensated care to indigent patients. The Hospital maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy. Charges foregone for services rendered under the Hospital's charity care policy amount to approximately \$1,130,000 in 2003.

**NOTE 23 - ADVERTISING**

The Hospital expenses advertising costs as they are incurred. Advertising expense was \$78,761 for 2003. Advertising expenses are included in the enterprise funds' operating expenses in these financial statements.

**NOTE 24 - MEDICAL MALPRACTICE CLAIMS**

The Hospital has purchased occurrence-based insurance to protect itself against losses from medical malpractice claims. The policy covers claims resulting from incidents that occur during the policy term, regardless of when the claims are reported to the insurance carrier. The Hospital is not aware of any medical malpractice claims, either asserted or unasserted, that would exceed the policy limits of \$1,000,000 per individual claims and \$3,000,000 in annual aggregate.

**NOTE 25 - RELATED PARTY TRANSACTIONS**

During 2003, Holmes County provided facilities, certain equipment, transportation and salaries for administration, implementation and supervision of programs to Lynn Hope Industries, Inc. Lynn Hope Industries, Inc., a discretely presented component unit of Holmes County, reported \$177,926 for such contributions. Lynn Hope Industries recorded operating revenues and expenses at cost or fair value as applicable, to the extent the contribution is related to the vocational purpose of the Workshop.

The Joel Pomerene Foundation (the "Foundation"), which is controlled by Joel Pomerene Memorial Hospital, was established to solicit contributions from the general public and to support the Hospital. Funds are distributed to the Hospital as determined by the Foundation's board of directors. The Foundation's unrestricted net assets equaled \$27,821 at December 31, 2003.

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 25 - RELATED PARTY TRANSACTIONS - (Continued)**

The Northeast Ohio Health Outreach Network, which is controlled by Joel Pomerene Memorial Hospital, was established to receive federal grant monies from the U.S. Department of Housing and Urban Development (HUD). Funds are distributed to the Hospital directly from HUD as determined by the Network. The Network expended \$44,234, netting to unrestricted net assets of \$175,961 for the year ended December 31, 2003.

**NOTE 26 - HOLMES COUNTY REGIONAL PLANNING COMMISSION**

The Holmes County Regional Planning Commission (the "Commission") is governed by an eleven member board, of which seven are appointed by the County. The Commission imposes a financial burden on the County; therefore, the Commission has been included as a component unit of the County. The Commission makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economical and governmental characteristics, functions and social, economical and governmental characteristics, functions and services of the County.

**A. Basis of Accounting**

For reporting on the government-wide financial statements, the Commissions follow the accrual basis of accounting. Under this basis, revenues are recognized when earned and expenses are recognized when incurred. All assets and liabilities of the Commission are reported on the statement of net assets and financial transactions of the Commission are reflected in the statement of activities.

**B. Deposits and Investments**

The County acts as the custodian of the Commission's funds. Cash and cash equivalents of the Commission are pulled and invested by the County. Information regarding the classification of the County's deposits and investments per GASB Statement No. 3 may be found in Note 4.

**NOTE 27 - LYNN HOPE INDUSTRIES, INC.**

**A. Summary of Significant Accounting Policies**

*Business Activity* - Lynn Hope Industries, Inc. (the "Organization") is a sheltered workshop located in Holmesville, Ohio. The Organization offers a variety of goods and services for sale. The Organization extends credit to its customers, substantially all of whom are local businesses.

*Property and Equipment* - Property and equipment are carried at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the related assets. Maintenance and repairs are charged to operations when incurred. Renewals and betterments of a nature considered to materially extend the useful lives of the assets are capitalized. When assets are retired or otherwise disposed of, the assets and related allowances for depreciation are eliminated from the accounts and any resulting gain or loss is reflected in income. Depreciation is based on the following policies:

<u>Description</u>	<u>Useful Life (In Years)</u>	<u>Method</u>
Equipment	3 - 10	Straight-line
Vehicles	5	Straight-line

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 27 - LYNN HOPE INDUSTRIES, INC. - (Continued)**

Federal Income Tax - The Organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code.

Designation of Contributions - Contributors to the Organization have the ability to designate the programs to be benefited by their contributions. During the year ended December 31, 2003 there was no restricted contributions to the Organization.

Cash Equivalents - For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and a liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Advertising - Costs of advertising are expensed as incurred. The amounts charged to advertising expense for year ended December 31, 2003 was \$1,321.

**B. Non-Cash Transactions**

The Organization received in-kind services and facilities for the year ended December 31, 2003 from the Holmes County Board of MR/DD. The value of the in-kind contribution was determined to be \$177,926 and is recorded in other income and operating expenses as an equivalent amount.

**C. Related Parties**

Total revenues from contracts to provide services to the Holmes County Board of MR/DD were \$43,500 for the year ended December 31, 2003. The Organization had \$3,556 in accounts receivable from the Holmes County Board of MR/DD at December 31, 2003.

**D. Leases**

The company entered into a non-cancelable operating lease agreement for a forklift during 2002. The lease has a 5-year term with monthly rentals of \$403. The company is responsible for all taxes, repairs, insurance, and maintenance under this agreement. Total rent expense under the terms of this agreement amounted to \$4,836 for the year ended December 31, 2003.

The company rents various pieces of equipment on a month to month basis for use in daily operations. Total rent expense related to these agreements amounted to \$349 for the year ended December 31, 2003.

The following is a schedule by years of future minimum lease payments under the terms of the 5-year forklift lease as of December 31, 2003:

2004	\$	4,836
2005		4,836
2006		<u>403</u>
Total	\$	<u>10,075</u>

**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 27 - LYNN HOPE INDUSTRIES, INC. - (Continued)**

**E. Long-Term Liabilities**

Long-term liabilities at December 31, 2003 consist of the following:

Note payable - bank. Monthly payments of \$1,792 include interest at 6% The final payment is due May 2020. The note is not collateralized.	\$ 215,622
Note payable - vendor. Monthly payments of \$943 include interest at 7.25% The final payment is due June 2004. The note is not collateralized by equipment.	<u>5,538</u>
	221,160
Less: current portion	<u>(14,182)</u>
Total	<u>\$ 206,978</u>

**F. Notes Payable**

Notes payable at December 31, 2003 consists of the following:

Note payable - non-profit entity. The note is due on demand, does not accrue interest and is not collateralized.	<u>\$ 22,000</u>
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Principal amounts of long-term debt payable in the years ending December 31:

2004	\$ 14,182
2005	9,178
2006	9,744
2007	10,345
2008	10,983
Thereafter	<u>166,728</u>
Total	<u>\$ 221,160</u>

**G. Capital Assets**

A summary of capital assets at December 31, 2003, follows:

Equipment	\$ 66,350
Vehicles	<u>28,342</u>
Subtotal	94,692
Less: accumulated depreciation	<u>(53,848)</u>
Net capital assets	<u>\$ 40,844</u>

**H. Deficit Net Assets**

The Organization had a deficit net asset balance of \$96,408 at December 31, 2003. This deficit balance was caused by accrued liabilities at year-end.



**HOLMES COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003**

**NOTE 28 - HOLMES COUNTY AIRPORT AUTHORITY**

The Holmes County Airport Authority (the "Airport Authority") board consists of seven members who are appointed by the County Commissioners of Holmes County. The Airport Authority imposes a financial burden on the County. Based on this relationship, the Airport Authority is a component unit of Holmes County. Separately issued financial statements can be obtained from Holmes County Airport Authority of Holmes County.

**A. Basis of Accounting**

The Airport Authority follows the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. The measurement focus is on determination of net income, financial position and cash flows. All transactions are accounted for in a single enterprise fund.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental and financial reporting principles. The Authority also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, provided they do not conflict with or contradict GASB pronouncements. The Airport Authority has the option to also apply FASB Statements and Interpretations issued after November 30, 1989 subject to this same limitation. The Airport Authority has elected not to apply these FASB Statements and Interpretations.

*Equipment and Depreciation* - Property, plant, and equipment are stated at historical cost (or estimated historical cost) and are updated for the cost of additions and retirements during the year. Depreciation is provided on a straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Useful Live (In Years)</u>
Buildings and improvements	20 - 50
Equipment	10 - 30

A summary of capital assets at December 31, 2003, follows:

Land	\$ 54,357
Buildings and improvements	402,500
Equipment	<u>85,013</u>
Subtotal	541,870
Less: accumulated depreciation	<u>(242,968)</u>
Net capital assets	<u>\$ 298,902</u>

**HOLMES COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

**NOTE 28 - HOLMES COUNTY AIRPORT AUTHORITY - (Continued)**

**B. Deposits and Investments**

Monies held by the Airport Authority are held in separate accounts. The Airport Authority invests in a NOW account and certificates of deposit. Protection of the Airport Authority's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

*Deposits:* At year-end, the carrying amount of the Airport Authority's deposits and the bank balance was \$335,374. Of the bank balance, \$200,000 was covered by federal depository insurance. \$135,374 was uninsured and uncollateralized.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

## HOLMES COUNTY, OHIO

### COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

#### Nonmajor Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes. Following is a description of all special revenue funds:

***Dog and Kennel***

To account for the dog warden's operations, financed by the sale of dog tags and fine collections.

***Child Support Enforcement***

To account for State, Federal, and Local Revenues used to administer the County Bureau of Support.

***Real Estate Assessment***

To account for state mandated county-wide real estate reappraisals that are funded by charges to the political subdivisions located within the county.

***Delinquent Real Estate Collection***

To account for five percent of all collections of certified delinquent real estate taxes and assessments used for the purpose of collecting delinquent property taxes and assessments.

***ODNR Grant***

To account for Ohio Department of Natural Resources grant monies to provide conservation and recreation.

***Victim Assistance***

To account for grants received through the Attorney General's office that are to be expended to assist individuals who are the victims of crime.

***Indigent Guardianship***

To account for State-mandated County-wide real estate reappraisals that are funded by charges to political subdivisions located within the County.

***Education and Enforcement***

Revenue is generated from court costs and is used for education and training for the employees.

***Help America Vote Act***

To upgrade Voter Registration System mandated by the State of Ohio for the Board of Elections, financed by a grant issued from the State.

***911***

To account for sales tax monies used for training and implementing the 911 program.

***Special Projects***

Five percent from fees/any building project going to be used for new office and equipment.

***Employee Expended***

Money is transferred from General Fund and set aside for any unexpected retirement payoffs or terminated employees' vacation payoffs.

***Transportation Coordination***

To provided taxi service to residents of Holmes County funded by grants and county matching funds.

***Certificate Title Administration***

To account for funds retained from the Clerk of Courts from costs incurred in processing title under Chapters 1548 and 4505, Revised Code.

## HOLMES COUNTY, OHIO

### COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

#### Nonmajor Special Revenue Funds - (Continued)

***Federal Cops Universal Grant***

Revenue generated from court fines and fees, and is paid to Holmes County Sheriff by the State of Ohio and can be used for any expense the Sheriff sees necessary.

***Courthouse Security Grant***

Revenue generated from court fines and fees, and is paid to Holmes County Sheriff by the State of Ohio and can be used for any expense the Sheriff sees necessary.

***Federal Equitable Sharing***

Revenue generated from court fines and fees from a Federal drug bust and is paid to Holmes County Sheriff by the State of Ohio and can be used for any expense the Sheriff sees necessary.

***Youthful Impaired Driver***

Portion of DUI fines are paid into this fund and used to educate the importance of driving while under the influence.

***Scenic Byways***

Grant for beautifying highways.

***Community Development***

To account for revenue from the Federal government to be expended for administrative costs of the community development block grant program.

***Domestic Violence***

A charge of \$17.00 from each marriage license sold is paid into this fund which then is paid to Every Women's House, a place for battered women.

***Jail Kitchen***

To account for transfers used to provide food services to inmates and County employees.

***Indigent Drivers Alcohol***

To account for monies received from fines from convictions on alcohol-related cases used for treatment of persons convicted of alcohol-related motor vehicle violations.

***Tax Map***

Revenue is generated from sales of maps and is used for Aerial photography and other necessary items.

***Probate Court Conduct of Business***

To account for monies used for probate court business.

***Disaster Services***

Natural hazards could affect any portion of Holmes county and severely impact its citizens and also recognize that lives can be saved and damage reduced or eliminated through smart recovery and mitigation programs and activities. A risk assessment that identifies natural hazards, a profile of hazard events, and an assessment of the vulnerability of each hazard.

***Community Housing Improvement***

To account for revenue from the Federal government to be expended for administrative costs of the community housing improvement grant program.

***Youth Services Subsidy Grant***

To account for all grant monies received from the State Department of Youth Services used to maintain a restitution program for juvenile offenders.

***Recycling and Litter***

To account for a County-wide litter control and recycling program prescribed by the State of Ohio Department of Natural Resources.

**HOLMES COUNTY, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Special Revenue Funds - (Continued)**

***Wastewater Treatment Rotary***

Revenue generated from monthly Sales Tax. Money is available to the Wastewater Treatment Plants if needed for repairs or operation of the plant. Money is paid back but no written agreement has been filed as of date.

***Children Services***

To account for revenue from the State government expended for the support and placement of children.

***Community Corrections***

Community Corrections Act, monies are used for drug testing, Victim offender Reconciliation, Probation Supervision.

**Nonmajor Debt Service Fund**

The debt service fund is used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there is only one debt service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional statements are presented.

**Nonmajor Capital Projects Funds**

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Following is a description of the capital projects funds.

***Mental Retardation Capital***

To account for transfers to be used for ongoing capital improvements.

***Capital Improvements***

To account for sales tax monies set aside for various capital projects within the county.

***Landfill Capital Projects***

To account for anticipated costs regarding the Holmes County Landfill.

***Capital Computerization***

To account for monies set aside for computerizing various county departments.

***Recorder's Equipment***

To account for monies set aside for the purpose of buying equipment for the recorder's office.

***Issue II***

To account for monies received from the Ohio Public Works Commission used to build infrastructure.

***Rails to Trails Project***

To account for donations and federal grant revenues to facilitate the conservation of railroad rights-of-way and similar linear resources by acquisition, conversion and operation of such holding to trail use for the general public.

HOLMES COUNTY, OHIO

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2003

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 3,826,496	\$ 98,282	\$ 576,042	\$ 4,500,820
Cash with fiscal agent . . . . .	-	-	44,964	44,964
Receivables (net of allowance for uncollectibles):				
Sales taxes. . . . .	12,000	70,000	12,000	94,000
Accounts . . . . .	33,829	-	3,490	37,319
Loans to other funds . . . . .	378,213	-	-	378,213
Due from other funds. . . . .	2,304	-	-	2,304
Due from other governments. . . . .	443,960	-	-	443,960
Prepayments . . . . .	2,858	-	-	2,858
Other assets . . . . .	-	-	173,225	173,225
Materials and supplies inventory . . . . .	7,139	-	1,875	9,014
Total assets . . . . .	<u>\$ 4,706,799</u>	<u>\$ 168,282</u>	<u>\$ 811,596</u>	<u>\$ 5,686,677</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 92,600	\$ -	\$ 23,109	\$ 115,709
Accrued wages. . . . .	67,892	-	1,913	69,805
Loans from other funds . . . . .	55,000	-	-	55,000
Due to other funds. . . . .	37,815	-	-	37,815
Due to other governments. . . . .	106,081	-	928	107,009
Interfund payable . . . . .	149	-	-	149
Deferred revenue . . . . .	350,068	35,000	6,000	391,068
Notes payable . . . . .	-	-	191,348	191,348
Total liabilities . . . . .	<u>709,605</u>	<u>35,000</u>	<u>223,298</u>	<u>967,903</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	5,987	-	86,573	92,560
Reserved for prepayments . . . . .	2,858	-	-	2,858
Reserved for materials and supplies inventory. . . . .	7,139	-	1,875	9,014
Reserved for loans. . . . .	378,213	-	-	378,213
Reserved for debt service . . . . .	-	133,282	-	133,282
Unreserved:				
Designated for compensated absences . . . . .	362,149	-	-	362,149
Undesignated, reported in:				
Special revenue funds. . . . .	3,240,848	-	-	3,240,848
Capital projects funds. . . . .	-	-	499,850	499,850
Total fund balances. . . . .	<u>3,997,194</u>	<u>133,282</u>	<u>588,298</u>	<u>4,718,774</u>
Total liabilities and fund balances . . . . .	<u>\$ 4,706,799</u>	<u>\$ 168,282</u>	<u>\$ 811,596</u>	<u>\$ 5,686,677</u>

HOLMES COUNTY, OHIO

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2003

	<u>Dog and Kennel</u>	<u>Child Support Enforcement</u>	<u>Real Estate Assessment</u>	<u>Delinquent Real Estate Assessment</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 47,882	\$ 275,013	\$ 199,803	\$ 15,124
Receivables (net of allowance for uncollectibles):				
Sales taxes. . . . .	-	-	-	-
Accounts . . . . .	-	-	-	-
Loans to other funds . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Due from other governments. . . . .	-	17,618	-	-
Prepayments . . . . .	319	-	-	-
Materials and supplies inventory . . . . .	230	-	-	-
Total assets . . . . .	<u>\$ 48,431</u>	<u>\$ 292,631</u>	<u>\$ 199,803</u>	<u>\$ 15,124</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 925	\$ -	\$ 3,683	\$ -
Accrued wages. . . . .	3,149	10,864	5,359	1,211
Loans from other funds . . . . .	-	-	-	-
Due to other funds. . . . .	-	13,605	-	-
Due to other governments . . . . .	1,641	71,379	2,703	861
Interfund payable . . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	-
Total liabilities . . . . .	<u>5,715</u>	<u>95,848</u>	<u>11,745</u>	<u>2,072</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	-	-	3,133	-
Reserved for prepayments . . . . .	319	-	-	-
Reserved for materials and supplies inventory. . . . .	230	-	-	-
Reserved for loans. . . . .	-	-	-	-
Unreserved:				
Designated for compensated absences . . . . .	-	-	-	-
Undesignated (deficit), reported in:				
Special revenue funds. . . . .	42,167	196,783	184,925	13,052
Total fund balances. . . . .	<u>42,716</u>	<u>196,783</u>	<u>188,058</u>	<u>13,052</u>
Total liabilities and fund balances . . . . .	<u>\$ 48,431</u>	<u>\$ 292,631</u>	<u>\$ 199,803</u>	<u>\$ 15,124</u>



<b>ODNR Grant</b>	<b>Victims Assistance</b>	<b>Indigent Guardianship</b>	<b>Education and Enforcement</b>	<b>Help America Vote Act</b>	<b>911</b>
\$ -	\$ 9,633	\$ 6,988	\$ 11,420	\$ 12,477	\$ 1,324,406
-	-	-	-	-	-
-	-	-	180	-	-
-	-	-	-	-	-
-	-	-	-	-	-
17,831	9,330	-	-	-	-
-	-	-	-	-	214
-	653	-	-	-	-
<u>\$ 17,831</u>	<u>\$ 19,616</u>	<u>\$ 6,988</u>	<u>\$ 11,600</u>	<u>\$ 12,477</u>	<u>\$ 1,324,620</u>
\$ -	\$ -	\$ 988	\$ -	\$ 6,477	\$ 11,274
2,009	3,204	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
519	1,521	-	-	-	-
149	-	-	-	-	-
17,831	4,034	-	-	-	-
<u>20,508</u>	<u>8,759</u>	<u>988</u>	<u>-</u>	<u>6,477</u>	<u>11,274</u>
-	2,130	-	-	-	-
-	-	-	-	-	214
-	653	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(2,677)</u>	<u>8,074</u>	<u>6,000</u>	<u>11,600</u>	<u>6,000</u>	<u>1,313,132</u>
<u>(2,677)</u>	<u>10,857</u>	<u>6,000</u>	<u>11,600</u>	<u>6,000</u>	<u>1,313,346</u>
<u>\$ 17,831</u>	<u>\$ 19,616</u>	<u>\$ 6,988</u>	<u>\$ 11,600</u>	<u>\$ 12,477</u>	<u>\$ 1,324,620</u>

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**HOLMES COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2003

	<b>Special Projects</b>	<b>Employee Expended</b>	<b>Transportation Coordination</b>	<b>Certificate Title Administration</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 127,076	\$ 362,149	\$ 34,370	\$ 23,988
Receivables (net of allowance for uncollectibles):				
Sales taxes. . . . .	-	-	-	-
Accounts . . . . .	1,699	-	4,058	7,655
Loans to other funds . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	2,304	-
Due from other governments. . . . .	-	-	-	-
Prepayments . . . . .	-	-	1,403	-
Materials and supplies inventory . . . . .	-	-	1,013	-
<b>Total assets . . . . .</b>	<b>\$ 128,775</b>	<b>\$ 362,149</b>	<b>\$ 43,148</b>	<b>\$ 31,643</b>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ -	\$ 28,394	\$ -
Accrued wages. . . . .	-	-	19,281	-
Loans from other funds . . . . .	-	-	55,000	-
Due to other funds. . . . .	-	-	4,210	20,000
Due to other governments. . . . .	-	-	15,965	-
Interfund payable . . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	218
<b>Total liabilities . . . . .</b>	<b>-</b>	<b>-</b>	<b>122,850</b>	<b>20,218</b>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	-	-	-	-
Reserved for prepayments . . . . .	-	-	1,403	-
Reserved for materials and supplies inventory. . . . .	-	-	1,013	-
Reserved for loans. . . . .	-	-	-	-
Unreserved:				
Designated for compensated absences . . . . .	-	362,149	-	-
Undesignated (deficit), reported in:				
Special revenue funds. . . . .	128,775	-	(82,118)	11,425
<b>Total fund balances. . . . .</b>	<b>128,775</b>	<b>362,149</b>	<b>(79,702)</b>	<b>11,425</b>
<b>Total liabilities and fund balances . . . . .</b>	<b>\$ 128,775</b>	<b>\$ 362,149</b>	<b>\$ 43,148</b>	<b>\$ 31,643</b>

<u>Courthouse Security Grant</u>	<u>Federal Equitable Sharing</u>	<u>Youthful Impaired Driver</u>	<u>Scenic Byways</u>	<u>Domestic Violence</u>
\$ 8,316	\$ 19,202	\$ 5,763	\$ 9,250	\$ 3,406
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	4,000	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 8,316</u>	<u>\$ 19,202</u>	<u>\$ 5,763</u>	<u>\$ 13,250</u>	<u>\$ 3,406</u>
\$ -	\$ -	\$ -	\$ 4,000	\$ 3,819
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>3,819</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>8,316</u>	<u>19,202</u>	<u>5,763</u>	<u>9,250</u>	<u>(413)</u>
<u>8,316</u>	<u>19,202</u>	<u>5,763</u>	<u>9,250</u>	<u>(413)</u>
<u>\$ 8,316</u>	<u>\$ 19,202</u>	<u>\$ 5,763</u>	<u>\$ 13,250</u>	<u>\$ 3,406</u>

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HOLMES COUNTY, OHIO

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2003

	<u>Jail Kitchen</u>	<u>Indigent Drivers Alcohol</u>	<u>Tax Map</u>	<u>Probate Court Conduct of Business</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 35,439	\$ 65,966	\$ 60,617	\$ 100,690
Receivables (net of allowance for uncollectibles):				
Sales taxes. . . . .	-	-	-	-
Accounts . . . . .	-	376	-	-
Loans to other funds . . . . .	-	-	-	-
Due from other funds. . . . .	-	-	-	-
Due from other governments. . . . .	-	-	-	34,119
Prepayments . . . . .	-	-	-	-
Materials and supplies inventory . . . . .	4,777	-	-	-
Total assets . . . . .	<u>\$ 40,216</u>	<u>\$ 66,342</u>	<u>\$ 60,617</u>	<u>\$ 134,809</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 5,574	\$ -	\$ -	\$ 1,016
Accrued wages. . . . .	6,392	-	-	-
Loans from other funds . . . . .	-	-	-	-
Due to other funds. . . . .	-	-	-	-
Due to other governments . . . . .	3,098	-	-	734
Interfund payable . . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	17,059
Total liabilities . . . . .	<u>15,064</u>	<u>-</u>	<u>-</u>	<u>18,809</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	-	-	-	-
Reserved for prepayments . . . . .	-	-	-	-
Reserved for materials and supplies inventory. . . . .	4,777	-	-	-
Reserved for loans. . . . .	-	-	-	-
Unreserved:				
Designated for compensated absences . . . . .	-	-	-	-
Undesignated (deficit), reported in:				
Special revenue funds. . . . .	20,375	66,342	60,617	116,000
Total fund balances. . . . .	<u>25,152</u>	<u>66,342</u>	<u>60,617</u>	<u>116,000</u>
Total liabilities and fund balances . . . . .	<u>\$ 40,216</u>	<u>\$ 66,342</u>	<u>\$ 60,617</u>	<u>\$ 134,809</u>

<b>Disaster Services</b>	<b>Community Housing Improvement</b>	<b>Youth Services Subsidy Grant</b>	<b>Recycling and Litter</b>	<b>Wastewater Treatment Rotary</b>	<b>Childrens Services</b>
\$ 76,105	\$ 66,190	\$ 156,632	\$ 74,321	\$ -	\$ 693,339
-	-	-	-	12,000	-
-	-	-	19,861	-	-
-	-	-	-	378,213	-
-	-	-	-	-	-
-	186,793	9,770	-	-	164,499
147	-	-	775	-	-
-	-	-	173	293	-
<u>\$ 76,252</u>	<u>\$ 252,983</u>	<u>\$ 166,402</u>	<u>\$ 95,130</u>	<u>\$ 390,506</u>	<u>\$ 857,838</u>
\$ 1,082	\$ 1,300	\$ 637	\$ -	\$ -	\$ 22,578
2,700	-	5,971	4,790	-	2,962
-	-	-	-	-	-
-	-	-	-	-	-
1,481	-	3,123	2,559	-	497
-	-	-	-	-	-
-	186,793	-	4,784	6,000	113,349
<u>5,263</u>	<u>188,093</u>	<u>9,731</u>	<u>12,133</u>	<u>6,000</u>	<u>139,386</u>
-	-	718	-	-	-
147	-	-	775	-	-
-	-	-	173	293	-
-	-	-	-	378,213	-
-	-	-	-	-	-
<u>70,842</u>	<u>64,890</u>	<u>155,953</u>	<u>82,049</u>	<u>6,000</u>	<u>718,452</u>
<u>70,989</u>	<u>64,890</u>	<u>156,671</u>	<u>82,997</u>	<u>384,506</u>	<u>718,452</u>
<u>\$ 76,252</u>	<u>\$ 252,983</u>	<u>\$ 166,402</u>	<u>\$ 95,130</u>	<u>\$ 390,506</u>	<u>\$ 857,838</u>

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**HOLMES COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2003

	<b>Community Corrections</b>	<b>Totals</b>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 931	\$ 3,826,496
Receivables (net of allowance for uncollectibles):		
Sales taxes. . . . .	-	12,000
Accounts . . . . .	-	33,829
Loans to other funds . . . . .	-	378,213
Due from other funds. . . . .	-	2,304
Due from other governments. . . . .	-	443,960
Prepayments . . . . .	-	2,858
Materials and supplies inventory . . . . .	-	7,139
Total assets . . . . .	\$ 931	\$ 4,706,799
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 853	\$ 92,600
Accrued wages. . . . .	-	67,892
Loans from other funds . . . . .	-	55,000
Due to other funds. . . . .	-	37,815
Due to other governments . . . . .	-	106,081
Interfund payable . . . . .	-	149
Deferred revenue. . . . .	-	350,068
Total liabilities . . . . .	853	709,605
<b>Fund Balances:</b>		
Reserved for encumbrances . . . . .	6	5,987
Reserved for prepayments . . . . .	-	2,858
Reserved for materials and supplies inventory. . . . .	-	7,139
Reserved for loans. . . . .	-	378,213
Unreserved:		
Designated for compensated absences . . . . .	-	362,149
Undesignated (deficit), reported in:		
Special revenue funds. . . . .	72	3,240,848
Total fund balances. . . . .	78	3,997,194
Total liabilities and fund balances . . . . .	\$ 931	\$ 4,706,799

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HOLMES COUNTY, OHIO

COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 DECEMBER 31, 2003

	<b>Mental Retardation Capital</b>	<b>Capital Improvements</b>	<b>Landfill Capital Projects</b>	<b>Capital Computerization</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 194,620	\$ 173,081	\$ 10,476	\$ 174,390
Cash with fiscal agent . . . . .	-	-	-	-
Receivables (net of allowance for uncollectibles):				
Sales taxes. . . . .	-	12,000	-	-
Accounts . . . . .	-	-	-	3,390
Other assets. . . . .	-	-	-	-
Materials and supplies inventory . . . . .	-	-	-	-
<b>Total assets . . . . .</b>	<b>\$ 194,620</b>	<b>\$ 185,081</b>	<b>\$ 10,476</b>	<b>\$ 177,780</b>
<b>Liabilities:</b>				
Accounts payable . . . . .	-	4,842	-	8,422
Accrued wages. . . . .	-	-	-	1,913
Due to other governments. . . . .	-	-	-	928
Deferred revenue . . . . .	-	6,000	-	-
Notes payable . . . . .	-	-	-	-
<b>Total liabilities . . . . .</b>	<b>-</b>	<b>10,842</b>	<b>-</b>	<b>11,263</b>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	-	85,200	-	110
Reserved for materials and supplies inventory. . . . .	-	-	-	-
Unreserved:				
Undesignated, reported in:				
Capital projects funds. . . . .	194,620	89,039	10,476	166,407
<b>Total fund balances. . . . .</b>	<b>194,620</b>	<b>174,239</b>	<b>10,476</b>	<b>166,517</b>
<b>Total liabilities and fund balances . . . . .</b>	<b>\$ 194,620</b>	<b>\$ 185,081</b>	<b>\$ 10,476</b>	<b>\$ 177,780</b>



<b>Recorder's Equipment</b>	<b>Issue II</b>	<b>Rails-to-Trails</b>	<b>Total</b>
\$ 23,475	\$ -	\$ -	\$ 576,042
-	-	44,964	44,964
-	-	-	12,000
100	-	-	3,490
-	-	173,225	173,225
-	-	1,875	1,875
<u>\$ 23,575</u>	<u>\$ -</u>	<u>\$ 220,064</u>	<u>\$ 811,596</u>
\$ 1,987	\$ -	\$ 7,858	\$ 23,109
-	-	-	1,913
-	-	-	928
-	-	-	6,000
-	-	191,348	191,348
<u>1,987</u>	<u>-</u>	<u>199,206</u>	<u>223,298</u>
1,263	-	-	86,573
-	-	1,875	1,875
<u>20,325</u>	<u>-</u>	<u>18,983</u>	<u>499,850</u>
<u>21,588</u>	<u>-</u>	<u>20,858</u>	<u>588,298</u>
<u>\$ 23,575</u>	<u>\$ -</u>	<u>\$ 220,064</u>	<u>\$ 811,596</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 8,104	\$ 420,000	\$ 138,000	\$ 566,104
Charges for services . . . . .	1,273,726	-	44,989	1,318,715
Licenses and permits . . . . .	263,987	-	-	263,987
Fines and forfeitures . . . . .	18,202	-	63,695	81,897
Intergovernmental . . . . .	2,553,518	-	250,873	2,804,391
Investment income . . . . .	47,491	-	2,049	49,540
Rental income . . . . .	-	148,311	-	148,311
Contributions and donations . . . . .	-	-	41,148	41,148
Other . . . . .	163,943	-	26,781	190,724
Total revenues . . . . .	<u>4,328,971</u>	<u>568,311</u>	<u>567,535</u>	<u>5,464,817</u>
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	1,076,651	-	-	1,076,651
Judicial . . . . .	57,849	-	-	57,849
Public safety. . . . .	680,385	-	-	680,385
Public works. . . . .	1,013,550	-	-	1,013,550
Health . . . . .	95,382	-	-	95,382
Human services . . . . .	2,133,875	-	-	2,133,875
Conservation and recreation. . . . .	49,503	-	30,396	79,899
Capital outlay . . . . .	-	-	457,006	457,006
Debt service:				
Principal retirement . . . . .	-	283,000	-	283,000
Interest and fiscal charges . . . . .	-	292,748	34,467	327,215
Total expenditures . . . . .	<u>5,107,195</u>	<u>575,748</u>	<u>521,869</u>	<u>6,204,812</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(778,224)</u>	<u>(7,437)</u>	<u>45,666</u>	<u>(739,995)</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	794,171	33,683	118,512	946,366
Total other financing sources . . . . .	<u>794,171</u>	<u>33,683</u>	<u>118,512</u>	<u>946,366</u>
Net change in fund balances. . . . .	15,947	26,246	164,178	206,371
<b>Fund balances at beginning of year (restated) .</b>	<u>3,981,247</u>	<u>107,036</u>	<u>424,120</u>	<u>4,512,403</u>
<b>Fund balances at end of year . . . . .</b>	<u><u>\$ 3,997,194</u></u>	<u><u>\$ 133,282</u></u>	<u><u>\$ 588,298</u></u>	<u><u>\$ 4,718,774</u></u>

**HOLMES COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Dog and Kennel</b>	<b>Child Support Enforcement</b>	<b>Real Estate Assessment</b>	<b>Delinquent Real Estate Collection</b>
<b>Revenues:</b>				
Sales taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	46,092	330,165	43,376
Licenses and permits . . . . .	105,624	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	442,147	-	-
Investment income . . . . .	-	-	-	-
Other . . . . .	3,137	-	8,251	-
Total revenues . . . . .	108,761	488,239	338,416	43,376
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	398,948	46,098
Judicial . . . . .	-	-	-	-
Public safety . . . . .	-	-	-	-
Public works . . . . .	-	-	-	-
Health . . . . .	95,382	-	-	-
Human services . . . . .	-	610,037	-	-
Conservation and recreation . . . . .	-	-	-	-
Total expenditures . . . . .	95,382	610,037	398,948	46,098
Excess (deficiency) of revenues over (under) expenditures . . . . .	13,379	(121,798)	(60,532)	(2,722)
<b>Other financing sources:</b>				
Transfers in . . . . .	-	89,876	-	-
Total other financing sources . . . . .	-	89,876	-	-
Net change in fund balances . . . . .	13,379	(31,922)	(60,532)	(2,722)
<b>Fund balance (deficit)   at beginning of year (restated) . . . . .</b>	29,337	228,705	248,590	15,774
<b>Fund balance (deficit) at end of year . . . . .</b>	\$ 42,716	\$ 196,783	\$ 188,058	\$ 13,052

<b>ODNR Grant</b>	<b>Victims Assistance</b>	<b>Indigent Guardianship</b>	<b>Education and Enforcement</b>	<b>Help America Vote Act</b>	<b>911</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,104
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,490	1,023	-	-
44,841	53,716	-	-	6,000	-
-	-	-	-	-	47,491
-	-	-	-	-	-
<u>44,841</u>	<u>53,716</u>	<u>3,490</u>	<u>1,023</u>	<u>6,000</u>	<u>49,595</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5,886	-	-	242,116
-	-	-	-	-	-
-	70,244	-	-	6,477	-
45,503	-	-	-	-	-
<u>45,503</u>	<u>70,244</u>	<u>5,886</u>	<u>-</u>	<u>6,477</u>	<u>242,116</u>
-	-	-	-	-	-
(662)	(16,528)	(2,396)	1,023	(477)	(192,521)
467	20,299	-	-	6,477	-
467	20,299	-	-	6,477	-
(195)	3,771	(2,396)	1,023	6,000	(192,521)
(2,482)	7,086	8,396	10,577	-	1,505,867
<u>\$ (2,677)</u>	<u>\$ 10,857</u>	<u>\$ 6,000</u>	<u>\$ 11,600</u>	<u>\$ 6,000</u>	<u>\$ 1,313,346</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Special Projects</u>	<u>Employee Expended</u>	<u>Transportation Coordination</u>	<u>Certificate Title Administration</u>
<b>Revenues:</b>				
Sales taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	20,806	-	238,302	97,624
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	166,837	-
Investment income . . . . .	-	-	-	-
Other . . . . .	487	-	6,362	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	21,293	-	411,501	97,624
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	35,851	-	99,999
Judicial . . . . .	-	-	-	-
Public safety . . . . .	-	-	-	-
Public works . . . . .	-	-	553,534	-
Health . . . . .	-	-	-	-
Human services . . . . .	-	-	-	-
Conservation and recreation . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	-	35,851	553,534	99,999
Excess (deficiency) of revenues over (under) expenditures . . . . .	21,293	(35,851)	(142,033)	(2,375)
<b>Other financing sources:</b>				
Transfers in . . . . .	-	158,000	25,000	-
Total other financing sources . . . . .	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	21,293	122,149	(117,033)	(2,375)
<b>Fund balance (deficit) at beginning of year (restated) . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	107,482	240,000	37,331	13,800
<b>Fund balance (deficit) at end of year . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 128,775	\$ 362,149	\$ (79,702)	\$ 11,425

<u>Federal Cops Universal Grant</u>	<u>Courthouse Security Grant</u>	<u>Federal Equitable Sharing</u>	<u>Youthful Impaired Driver</u>	<u>Scenic Byways</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	14,708	5,867	4,000
-	-	-	-	-
55	-	-	-	-
<u>55</u>	<u>-</u>	<u>14,708</u>	<u>5,867</u>	<u>4,000</u>
-	-	-	-	-
-	-	-	-	-
-	6,054	20,760	3,630	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	4,000
<u>-</u>	<u>6,054</u>	<u>20,760</u>	<u>3,630</u>	<u>4,000</u>
55	(6,054)	(6,052)	2,237	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
55	(6,054)	(6,052)	2,237	-
<u>(55)</u>	<u>14,370</u>	<u>25,254</u>	<u>3,526</u>	<u>9,250</u>
<u>\$ -</u>	<u>\$ 8,316</u>	<u>\$ 19,202</u>	<u>\$ 5,763</u>	<u>\$ 9,250</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Community Development</u>	<u>Domestic Violence</u>	<u>Jail Kitchen</u>	<u>Indigent Drivers Alcohol</u>
<b>Revenues:</b>				
Sales taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Charges for services . . . . .	-	7,832	568	-
Licenses and permits . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	6,653
Intergovernmental . . . . .	183,000	-	-	-
Investment income . . . . .	-	-	-	-
Other . . . . .	14,000	-	-	75
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	197,000	7,832	568	6,728
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	197,000	-	-	-
Judicial . . . . .	-	-	-	-
Public safety . . . . .	-	-	-	-
Public works . . . . .	-	-	-	-
Health . . . . .	-	-	-	-
Human services . . . . .	-	11,952	217,697	-
Conservation and recreation . . . . .	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	197,000	11,952	217,697	-
Excess (deficiency) of revenues over (under) expenditures . . . . .	<hr/>	<hr/>	<hr/>	<hr/>
	-	(4,120)	(217,129)	6,728
<b>Other financing sources:</b>				
Transfers in . . . . .	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	200,004	-
Total other financing sources . . . . .	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	200,004	-
Net change in fund balances . . . . .	-	(4,120)	(17,125)	6,728
<b>Fund balance (deficit) at beginning of year (restated) . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	-	3,707	42,277	59,614
<b>Fund balance (deficit) at end of year . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ (413)	\$ 25,152	\$ 66,342



<u>Tax Map</u>	<u>Probate Court Conduct of Business</u>	<u>Disaster Services</u>	<u>Community Housing Improvement</u>	<u>Youth Services Subsidy Grant</u>	<u>Recycling and Litter</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,538	-	-	-	-	15,110
-	-	-	-	-	158,363
-	7,036	-	-	-	-
-	83,262	70,011	305,215	153,262	297,137
-	-	-	-	-	-
1,960	-	220	20,223	453	22,840
<u>4,498</u>	<u>90,298</u>	<u>70,231</u>	<u>325,438</u>	<u>153,715</u>	<u>493,450</u>
22,231	-	-	276,524	-	-
-	57,849	-	-	-	-
-	-	106,290	-	181,454	-
-	-	-	-	-	460,016
-	-	-	-	-	-
-	-	-	-	-	-
<u>22,231</u>	<u>57,849</u>	<u>106,290</u>	<u>276,524</u>	<u>181,454</u>	<u>460,016</u>
<u>(17,733)</u>	<u>32,449</u>	<u>(36,059)</u>	<u>48,914</u>	<u>(27,739)</u>	<u>33,434</u>
2,572	-	35,000	-	-	-
<u>2,572</u>	<u>-</u>	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
(15,161)	32,449	(1,059)	48,914	(27,739)	33,434
75,778	83,551	72,048	15,976	184,410	49,563
<u>\$ 60,617</u>	<u>\$ 116,000</u>	<u>\$ 70,989</u>	<u>\$ 64,890</u>	<u>\$ 156,671</u>	<u>\$ 82,997</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2003

	Wastewater Treatment Rotary	Childrens Services	Community Corrections	Totals
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 6,000	\$ -	\$ -	\$ 8,104
Charges for services . . . . .	-	471,313	-	1,273,726
Licenses and permits . . . . .	-	-	-	263,987
Fines and forfeitures . . . . .	-	-	-	18,202
Intergovernmental . . . . .	-	609,242	114,273	2,553,518
Investment income . . . . .	-	-	-	47,491
Other . . . . .	293	85,587	-	163,943
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	6,293	1,166,142	114,273	4,328,971
<b>Expenditures:</b>				
Current:				
General government:				
Legislative and executive . . . . .	-	-	-	1,076,651
Judicial . . . . .	-	-	-	57,849
Public safety . . . . .	-	-	114,195	680,385
Public works . . . . .	-	-	-	1,013,550
Health . . . . .	-	-	-	95,382
Human services . . . . .	-	1,217,468	-	2,133,875
Conservation and recreation . . . . .	-	-	-	49,503
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	-	1,217,468	114,195	5,107,195
Excess (deficiency) of revenues over (under) expenditures . . . . .	6,293	(51,326)	78	(778,224)
<b>Other financing sources:</b>				
Transfers in . . . . .	-	256,476	-	794,171
Total other financing sources . . . . .	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balances . . . . .	6,293	205,150	78	15,947
<b>Fund balance (deficit) at beginning of year (restated) . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	378,213	513,302	-	3,981,247
<b>Fund balance (deficit) at end of year . . . . .</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 384,506	\$ 718,452	\$ 78	\$ 3,997,194

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**HOLMES COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2003

	<b>Mental Retardation Capital</b>	<b>Capital Improvements</b>	<b>Landfill Capital Projects</b>	<b>Capital Computerization</b>
<b>Revenues:</b>				
Sales taxes . . . . .	\$ -	\$ 138,000	\$ -	\$ -
Charges for services . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	63,695
Intergovernmental . . . . .	-	-	-	-
Investment income . . . . .	-	650	-	535
Contributions and donations . . . . .	-	-	-	-
Other . . . . .	1,148	6,192	-	11,523
	1,148	6,192	-	11,523
 Total revenues . . . . .	 1,148	 144,842	 -	 75,753
 <b>Expenditures:</b>				
Current:				
Conservation and recreation . . . . .	-	-	-	-
Capital outlay . . . . .	5,926	188,354	-	114,714
Debt service:				
Interest and fiscal charges . . . . .	-	-	-	-
	-	-	-	-
 Total expenditures . . . . .	 5,926	 188,354	 -	 114,714
 Excess (deficiency) of revenues over (under) expenditures. . . . .	 (4,778)	 (43,512)	 -	 (38,961)
 <b>Other financing sources:</b>				
Transfers in. . . . .	110,000	8,512	-	-
	110,000	8,512	-	-
 Total other financing sources . . . . .	 110,000	 8,512	 -	 -
 Net change in fund balances. . . . .	 105,222	 (35,000)	 -	 (38,961)
 <b>Fund balance (deficit) at beginning of year (restated) . . . . .</b>	 89,398	 209,239	 10,476	 205,478
 <b>Fund balance at end of year . . . . .</b>	 \$ 194,620	 \$ 174,239	 \$ 10,476	 \$ 166,517

<b>Recorder's Equipment</b>	<b>Issue II</b>	<b>Rails-to-Trails</b>	<b>Total</b>
\$ -	\$ -	\$ -	\$ 138,000
29,528	-	15,461	44,989
-	-	-	63,695
-	114,773	136,100	250,873
-	-	864	2,049
-	-	41,148	41,148
7,918	-	-	26,781
<u>37,446</u>	<u>114,773</u>	<u>193,573</u>	<u>567,535</u>
-	-	30,396	30,396
33,239	114,773	-	457,006
-	-	34,467	34,467
<u>33,239</u>	<u>114,773</u>	<u>64,863</u>	<u>521,869</u>
<u>4,207</u>	<u>-</u>	<u>128,710</u>	<u>45,666</u>
-	-	-	118,512
-	-	-	118,512
4,207	-	128,710	164,178
<u>17,381</u>	<u>-</u>	<u>(107,852)</u>	<u>424,120</u>
<u>\$ 21,588</u>	<u>\$ -</u>	<u>\$ 20,858</u>	<u>\$ 588,298</u>

## HOLMES COUNTY, OHIO

### COMBINING STATEMENTS - NONMAJOR FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the County in a trustee capacity, or as an agent for individuals, private organizations, and/or other governments. The following are the County's fiduciary fund types:

#### **Agency Funds**

Agency funds are purely custodial (assets equal liabilities) and therefore do not involve the measurement of results of operation. The following are the County's agency funds:

##### ***District Board of Health***

To account for the funds and subfunds of the Board of Health for which the County Auditor is the ex-officio fiscal agent as required under Section 3709.31, Ohio Revised Code.

##### ***Gasoline and License Tax***

To account for the collection of shared revenues from the State of Ohio which is apportioned to certain local governments.

##### ***Undivided Real and Personal Property Taxes***

To account for the collection of real estate taxes, special assessments, and tangible personal property taxes that are periodically apportioned to the subdivisions and to the County operating funds.

##### ***Alimony and Child Support***

To account for the collection of alimony and child support payments and the distribution of such monies to the court-designated recipients.

#### **Other Agency Funds**

Soil and Water Conservation	Undivided Local Government
Park District	Undivided Local Government Revenue
Sheriff's Law Enforcement	Payroll
County Public Library	Sheriff's Agency
Undivided Inheritance Tax	Court Agency
Undivided Municipal Permissive	County Home Patient
State Settlements	Travel and Tourism
Undivided Cigarette Tax	Special Taxing Districts
Law Library	Community Care Pooled
Undivided Trailer Tax	Ohio Election Commission
State Housing Trust	Emergency Management Services Agency
Family and Childrens First Council	

HOLMES COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 DECEMBER 31, 2003

	<u>Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>District Board of Health</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 1,151,000	\$ 4,325,283	\$ 4,605,187	\$ 871,096
Total assets. . . . .	<u>\$ 1,151,000</u>	<u>\$ 4,325,283</u>	<u>\$ 4,605,187</u>	<u>\$ 871,096</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 1,151,000	\$ 4,325,283	\$ 4,605,187	\$ 871,096
Total liabilities. . . . .	<u>\$ 1,151,000</u>	<u>\$ 4,325,283</u>	<u>\$ 4,605,187</u>	<u>\$ 871,096</u>
<b>Soil and Water Conservation</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 21,746	\$ 210,785	\$ 231,165	\$ 1,366
Cash and cash equivalents in segregated accounts . . . . .	184,485	248,324	184,485	248,324
Total assets. . . . .	<u>\$ 206,231</u>	<u>\$ 459,109</u>	<u>\$ 415,650</u>	<u>\$ 249,690</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 206,231	\$ 459,109	\$ 415,650	\$ 249,690
Total liabilities. . . . .	<u>\$ 206,231</u>	<u>\$ 459,109</u>	<u>\$ 415,650</u>	<u>\$ 249,690</u>
<b>Park District</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 138,493	\$ 158,837	\$ 123,360	\$ 173,970
Taxes receivable . . . . .	-	93,893	-	93,893
Due from other governments . . . . .	-	4,601	-	4,601
Total assets. . . . .	<u>\$ 138,493</u>	<u>\$ 257,331</u>	<u>\$ 123,360</u>	<u>\$ 272,464</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 663	\$ -	\$ 663
Due to other governments. . . . .	-	4,601	-	4,601
Undistributed assets . . . . .	138,493	252,067	123,360	267,200
Total liabilities. . . . .	<u>\$ 138,493</u>	<u>\$ 257,331</u>	<u>\$ 123,360</u>	<u>\$ 272,464</u>
<b>Sheriff's Law Enforcement</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 4,982	\$ 2,087	\$ -	\$ 7,069
Accounts receivable. . . . .	-	865	-	865
Total assets. . . . .	<u>\$ 4,982</u>	<u>\$ 2,952</u>	<u>\$ -</u>	<u>\$ 7,934</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 4,982	\$ 2,952	\$ -	\$ 7,934
Total liabilities. . . . .	<u>\$ 4,982</u>	<u>\$ 2,952</u>	<u>\$ -</u>	<u>\$ 7,934</u>
<b>County Public Library</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 1,277,768	\$ 1,277,768	\$ -
Due from other governments . . . . .	98,204	98,560	98,204	98,560
Total assets. . . . .	<u>\$ 98,204</u>	<u>\$ 1,376,328</u>	<u>\$ 1,375,972</u>	<u>\$ 98,560</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 98,204	\$ 1,376,328	\$ 1,375,972	\$ 98,560
Total liabilities. . . . .	<u>\$ 98,204</u>	<u>\$ 1,376,328</u>	<u>\$ 1,375,972</u>	<u>\$ 98,560</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>Ohio Election Commissions</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 1,670	\$ 1,460	\$ 210
Total assets. . . . .	<u>\$ -</u>	<u>\$ 1,670</u>	<u>\$ 1,460</u>	<u>\$ 210</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ -	\$ 1,670	\$ 1,460	\$ 210
Total liabilities. . . . .	<u>\$ -</u>	<u>\$ 1,670</u>	<u>\$ 1,460</u>	<u>\$ 210</u>
<b>Gasoline and License Tax</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 1,079,757	\$ 1,043,478	\$ 36,279
Due from other governments . . . . .	365,152	399,727	365,152	399,727
Total assets. . . . .	<u>\$ 365,152</u>	<u>\$ 1,479,484</u>	<u>\$ 1,408,630</u>	<u>\$ 436,006</u>
<b>Liabilities:</b>				
Due to other governments. . . . .	\$ 365,152	\$ 386,750	\$ 365,152	\$ 386,750
Undistributed assets . . . . .	-	1,092,734	1,043,478	49,256
Total liabilities. . . . .	<u>\$ 365,152</u>	<u>\$ 1,479,484</u>	<u>\$ 1,408,630</u>	<u>\$ 436,006</u>
<b>Undivided Inheritance Tax</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 151,844	\$ 447,339	\$ 286,471	\$ 312,712
Taxes receivable . . . . .	57,099	36,865	57,099	36,865
Total assets. . . . .	<u>\$ 208,943</u>	<u>\$ 484,204</u>	<u>\$ 343,570</u>	<u>\$ 349,577</u>
<b>Liabilities:</b>				
Due to other governments. . . . .	\$ 57,099	\$ 36,865	\$ 57,099	\$ 36,865
Undistributed assets . . . . .	151,844	447,339	286,471	312,712
Total liabilities. . . . .	<u>\$ 208,943</u>	<u>\$ 484,204</u>	<u>\$ 343,570</u>	<u>\$ 349,577</u>
<b>Undivided Municipal Permissive</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 110,541	\$ 24,912	\$ 56,915	\$ 78,538
Due from other governments . . . . .	1,518	1,556	1,518	1,556
Total assets. . . . .	<u>\$ 112,059</u>	<u>\$ 26,468</u>	<u>\$ 58,433</u>	<u>\$ 80,094</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 112,059	\$ 26,468	\$ 58,433	\$ 80,094
Total liabilities. . . . .	<u>\$ 112,059</u>	<u>\$ 26,468</u>	<u>\$ 58,433</u>	<u>\$ 80,094</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>Undivided Real and Personal Property Taxes</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 720,628	\$ 27,919,538	\$ 28,111,491	\$ 528,675
Accounts receivable. . . . .	-	42,081	-	42,081
Taxes receivable . . . . .	28,148,946	23,059,540	28,148,946	23,059,540
Total assets. . . . .	<u>\$ 28,869,574</u>	<u>\$ 51,021,159</u>	<u>\$ 56,260,437</u>	<u>\$ 23,630,296</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 28,869,574	\$ 51,021,159	\$ 56,260,437	\$ 23,630,296
Total liabilities. . . . .	<u>\$ 28,869,574</u>	<u>\$ 51,021,159</u>	<u>\$ 56,260,437</u>	<u>\$ 23,630,296</u>
<b>State Housing Trust Fund</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 86,815	\$ 40,932	\$ 45,883
Total assets. . . . .	<u>\$ -</u>	<u>\$ 86,815</u>	<u>\$ 40,932</u>	<u>\$ 45,883</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ -	\$ 86,815	\$ 40,932	\$ 45,883
Total liabilities. . . . .	<u>\$ -</u>	<u>\$ 86,815</u>	<u>\$ 40,932</u>	<u>\$ 45,883</u>
<b>State Settlements</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 151	\$ 43,806	\$ 43,806	\$ 151
Total assets. . . . .	<u>\$ 151</u>	<u>\$ 43,806</u>	<u>\$ 43,806</u>	<u>\$ 151</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 151	\$ 43,806	\$ 43,806	\$ 151
Total liabilities. . . . .	<u>\$ 151</u>	<u>\$ 43,806</u>	<u>\$ 43,806</u>	<u>\$ 151</u>
<b>Undivided Cigarette Tax</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 196	\$ 1,232	\$ 1,319	\$ 109
Total assets. . . . .	<u>\$ 196</u>	<u>\$ 1,232</u>	<u>\$ 1,319</u>	<u>\$ 109</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 196	\$ 1,232	\$ 1,319	\$ 109
Total liabilities. . . . .	<u>\$ 196</u>	<u>\$ 1,232</u>	<u>\$ 1,319</u>	<u>\$ 109</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>Law Library</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 209	\$ 62,343	\$ 62,254	\$ 298
Accounts receivable. . . . .	3,799	3,919	3,799	3,919
Total assets. . . . .	<u>\$ 4,008</u>	<u>\$ 66,262</u>	<u>\$ 66,053</u>	<u>\$ 4,217</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 4,008	\$ 66,262	\$ 66,053	\$ 4,217
Total liabilities. . . . .	<u>\$ 4,008</u>	<u>\$ 66,262</u>	<u>\$ 66,053</u>	<u>\$ 4,217</u>
<b>Undivided Trailer Tax</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 24,766	\$ 259,494	\$ 263,015	\$ 21,245
Total assets. . . . .	<u>\$ 24,766</u>	<u>\$ 259,494</u>	<u>\$ 263,015</u>	<u>\$ 21,245</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 24,766	\$ 259,494	\$ 263,015	\$ 21,245
Total liabilities. . . . .	<u>\$ 24,766</u>	<u>\$ 259,494</u>	<u>\$ 263,015</u>	<u>\$ 21,245</u>
<b>Undivided Local Government</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 798,149	\$ 797,944	\$ 205
Due from other governments . . . . .	188,146	159,526	188,146	159,526
Total assets. . . . .	<u>\$ 188,146</u>	<u>\$ 957,675</u>	<u>\$ 986,090</u>	<u>\$ 159,731</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 188,146	\$ 957,675	\$ 986,090	\$ 159,731
Total liabilities. . . . .	<u>\$ 188,146</u>	<u>\$ 957,675</u>	<u>\$ 986,090</u>	<u>\$ 159,731</u>
<b>Undivided Local Government Revenue</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 320,805	\$ 320,805	\$ -
Due from other governments . . . . .	76,646	64,161	76,646	64,161
Total assets. . . . .	<u>\$ 76,646</u>	<u>\$ 384,966</u>	<u>\$ 397,451</u>	<u>\$ 64,161</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 76,646	\$ 384,966	\$ 397,451	\$ 64,161
Total liabilities. . . . .	<u>\$ 76,646</u>	<u>\$ 384,966</u>	<u>\$ 397,451</u>	<u>\$ 64,161</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>Payroll</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 93,173	\$ 17,216,385	\$ 17,156,066	\$ 153,492
Total assets. . . . .	<u>\$ 93,173</u>	<u>\$ 17,216,385</u>	<u>\$ 17,156,066</u>	<u>\$ 153,492</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 90,377	\$ -	\$ 90,377
Undistributed assets . . . . .	93,173	17,126,008	17,156,066	63,115
Total liabilities. . . . .	<u>\$ 93,173</u>	<u>\$ 17,216,385</u>	<u>\$ 17,156,066</u>	<u>\$ 153,492</u>
<b>Alimony and Child Support</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . . . . .	\$ 3,749	\$ -	\$ 3,749	\$ -
Accounts receivable. . . . .	98,951	100,201	98,951	100,201
Total assets. . . . .	<u>\$ 102,700</u>	<u>\$ 100,201</u>	<u>\$ 102,700</u>	<u>\$ 100,201</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 102,700	\$ 100,201	\$ 102,700	\$ 100,201
Total liabilities. . . . .	<u>\$ 102,700</u>	<u>\$ 100,201</u>	<u>\$ 102,700</u>	<u>\$ 100,201</u>
<b>Sheriff's Agency</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . . . . .	\$ 154,296	\$ 27,290	\$ 154,296	\$ 27,290
Total assets. . . . .	<u>\$ 154,296</u>	<u>\$ 27,290</u>	<u>\$ 154,296</u>	<u>\$ 27,290</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 154,296	\$ 27,290	\$ 154,296	\$ 27,290
Total liabilities. . . . .	<u>\$ 154,296</u>	<u>\$ 27,290</u>	<u>\$ 154,296</u>	<u>\$ 27,290</u>
<b>Court Agency</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . . . . .	\$ 167,046	\$ 200,045	\$ 167,046	\$ 200,045
Investments in segregated accounts. . . . .	25,000	-	25,000	-
Total assets. . . . .	<u>\$ 192,046</u>	<u>\$ 200,045</u>	<u>\$ 192,046</u>	<u>\$ 200,045</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 192,046	\$ 200,045	\$ 192,046	\$ 200,045
Total liabilities. . . . .	<u>\$ 192,046</u>	<u>\$ 200,045</u>	<u>\$ 192,046</u>	<u>\$ 200,045</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>County Home Patient</b>				
<b>Assets:</b>				
Cash and cash equivalents in segregated accounts . . . . .	\$ 968	\$ 834	\$ 968	\$ 834
Total assets. . . . .	<u>\$ 968</u>	<u>\$ 834</u>	<u>\$ 968</u>	<u>\$ 834</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 968	\$ 834	\$ 968	\$ 834
Total liabilities. . . . .	<u>\$ 968</u>	<u>\$ 834</u>	<u>\$ 968</u>	<u>\$ 834</u>
<b>Travel and Tourism</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 115,994	\$ 410,364	\$ 364,020	\$ 162,338
Taxes receivable . . . . .	12,273	18,134	12,273	18,134
Due from other governments . . . . .	31,303	-	31,303	-
Total assets. . . . .	<u>\$ 159,570</u>	<u>\$ 428,498</u>	<u>\$ 407,596</u>	<u>\$ 180,472</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 159,570	\$ 428,498	\$ 407,596	\$ 180,472
Total liabilities. . . . .	<u>\$ 159,570</u>	<u>\$ 428,498</u>	<u>\$ 407,596</u>	<u>\$ 180,472</u>
<b>Special Taxing Districts</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 694	\$ 21,656,416	\$ 21,656,416	\$ 694
Accounts receivable. . . . .	-	1,546	-	1,546
Total assets. . . . .	<u>\$ 694</u>	<u>\$ 21,657,962</u>	<u>\$ 21,656,416</u>	<u>\$ 2,240</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ 694	\$ 21,657,962	\$ 21,656,416	\$ 2,240
Total liabilities. . . . .	<u>\$ 694</u>	<u>\$ 21,657,962</u>	<u>\$ 21,656,416</u>	<u>\$ 2,240</u>
<b>Community Care Pooled</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 95,754	\$ 133,488	\$ 136,519	\$ 92,723
Accounts receivable. . . . .	-	230	-	230
Total assets. . . . .	<u>\$ 95,754</u>	<u>\$ 133,718</u>	<u>\$ 136,519</u>	<u>\$ 92,953</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 26,526	\$ -	\$ 26,526
Due to other governments. . . . .	-	4,305	-	4,305
Undistributed assets . . . . .	95,754	102,887	136,519	62,122
Total liabilities. . . . .	<u>\$ 95,754</u>	<u>\$ 133,718</u>	<u>\$ 136,519</u>	<u>\$ 92,953</u>

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HOLMES COUNTY, OHIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 DECEMBER 31, 2003

	<u>Balance 12/31/02</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/03</u>
<b>Emergency Management Services Agency</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 152,749	\$ 152,749	\$ -
Total assets. . . . .	<u>\$ -</u>	<u>\$ 152,749</u>	<u>\$ 152,749</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Undistributed assets . . . . .	\$ -	\$ 152,749	\$ 152,749	\$ -
Total liabilities. . . . .	<u>\$ -</u>	<u>\$ 152,749</u>	<u>\$ 152,749</u>	<u>\$ -</u>
<b>Family and Children First Council</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 300,800	\$ 796,190	\$ 889,910	\$ 207,080
Total assets. . . . .	<u>\$ 300,800</u>	<u>\$ 796,190</u>	<u>\$ 889,910</u>	<u>\$ 207,080</u>
<b>Liabilities:</b>				
Due to other governments. . . . .	\$ 300,800	\$ 796,190	\$ 889,910	\$ 207,080
Total liabilities. . . . .	<u>\$ 300,800</u>	<u>\$ 796,190</u>	<u>\$ 889,910</u>	<u>\$ 207,080</u>
<i>All Agency Funds</i>				
<b>Assets</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 2,930,971	\$ 77,386,212	\$ 77,623,050	\$ 2,694,133
Cash and cash equivalents in segregated accounts . . . . .	510,544	476,493	510,544	476,493
Taxes receivable . . . . .	28,218,318	23,208,432	28,218,318	23,208,432
Accounts receivable. . . . .	102,750	148,842	102,750	148,842
Due from other governments . . . . .	760,969	728,131	760,969	728,131
Investments in segregated accounts. . . . .	25,000	-	25,000	-
Total assets. . . . .	<u>\$ 32,548,552</u>	<u>\$ 101,948,110</u>	<u>\$ 107,240,631</u>	<u>\$ 27,256,031</u>
<b>Liabilities</b>				
Accounts payable . . . . .	\$ -	\$ 117,566	\$ -	\$ 117,566
Due to other governments. . . . .	723,051	1,228,711	1,312,161	639,601
Undistributed assets . . . . .	31,825,501	100,601,833	105,928,470	26,498,864
Total liabilities. . . . .	<u>\$ 32,548,552</u>	<u>\$ 101,948,110</u>	<u>\$ 107,240,631</u>	<u>\$ 27,256,031</u>

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INDIVIDUAL FUND SCHEDULES OF  
REVENUES, EXPENDITURES/EXPENSES AND  
CHANGES IN FUND BALANCE/FUND EQUITY -  
BUDGET AND ACTUAL (NON-GAAP  
BUDGETARY BASIS)

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 1,823,300	\$ 1,823,300	\$ 1,916,204	\$ 92,904
Sales taxes . . . . .	3,250,000	3,250,000	3,587,282	337,282
Charges for services. . . . .	1,360,500	1,360,500	1,320,541	(39,959)
Licenses and permits . . . . .	106,285	106,285	88,477	(17,808)
Fines and forfeitures . . . . .	97,000	97,000	102,464	5,464
Intergovernmental . . . . .	920,150	923,760	980,407	56,647
Interest . . . . .	400,000	400,000	263,296	(136,704)
Rental Income . . . . .	17,860	17,860	49,059	31,199
Other . . . . .	325,300	385,376	439,276	53,900
Total revenues . . . . .	<u>8,300,395</u>	<u>8,364,081</u>	<u>8,747,006</u>	<u>382,925</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General government:</b>				
<b>Legislative and executive</b>				
Commissioners				
Personal services. . . . .	190,561	191,735	176,820	14,915
Materials and supplies . . . . .	4,274	4,300	4,200	100
Contractual services . . . . .	413,384	415,930	377,509	38,421
Other. . . . .	24,847	25,000	21,877	3,123
Total commissioners . . . . .	<u>633,066</u>	<u>636,965</u>	<u>580,406</u>	<u>56,559</u>
Auditor - General:				
Personal services. . . . .	299,385	301,229	298,651	2,578
Materials and supplies . . . . .	31,274	31,467	29,797	1,670
Contractual services . . . . .	40,880	41,132	36,788	4,344
Capital outlay . . . . .	1,544	1,553	1,426	127
Other. . . . .	8,420	8,472	8,169	303
Total auditor . . . . .	<u>381,503</u>	<u>383,853</u>	<u>374,831</u>	<u>9,022</u>
Auditor - Personal Property:				
Materials and supplies . . . . .	3,664	3,687	3,495	192
Total auditor-personal property . . . . .	<u>3,664</u>	<u>3,687</u>	<u>3,495</u>	<u>192</u>
Treasurer				
Personal services. . . . .	96,849	97,445	94,469	2,976
Materials and supplies . . . . .	24,646	24,798	24,536	262
Contractual services . . . . .	9,245	9,302	9,014	288
Other. . . . .	1,590	1,600	1,600	-
Total treasurer . . . . .	<u>132,330</u>	<u>133,145</u>	<u>129,619</u>	<u>3,526</u>
Prosecutor				
Personal services. . . . .	217,375	218,714	215,217	3,497
Materials and supplies . . . . .	10,075	10,137	10,129	8
Contractual services . . . . .	25,657	25,815	20,000	5,815
Total prosecutor . . . . .	<u>253,107</u>	<u>254,666</u>	<u>245,346</u>	<u>9,320</u>

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HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
County Office Examinations:				
Contractual services . . . . .	\$ 89,340	\$ 89,890	\$ 85,131	\$ 4,759
Total county office examinations . . . . .	89,340	89,890	85,131	4,759
Budget Commission:				
Materials and supplies . . . . .	199	200	-	200
Total budget commission . . . . .	199	200	-	200
Board of Revisions:				
Materials and supplies . . . . .	364	366	366	-
Total board of revisions . . . . .	364	366	366	-
Recorder				
Personal services. . . . .	95,059	95,644	93,374	2,270
Materials and supplies . . . . .	4,442	4,469	4,145	324
Other. . . . .	1,521	1,531	1,531	-
Total recorder . . . . .	101,022	101,644	99,050	2,594
Board of Elections:				
Personal Services . . . . .	76,723	77,196	76,869	327
Materials and supplies . . . . .	15,154	15,247	15,154	93
Other. . . . .	8,708	8,762	8,762	-
Total board of elections . . . . .	100,585	101,205	100,785	420
Maintenance and Operations				
Personal services. . . . .	151,209	152,140	147,538	4,602
Materials and supplies . . . . .	23,690	23,836	19,860	3,976
Contractual services . . . . .	427,725	430,360	366,635	63,725
Capital outlay . . . . .	202,511	203,758	164,718	39,040
Total maintenance and operations . . . . .	805,135	810,094	698,751	111,343
Tax Map				
Personal services. . . . .	74,556	75,015	75,010	5
Materials and supplies . . . . .	4,480	4,508	3,607	901
Contractual services . . . . .	4,073	4,098	3,875	223
Capital Outlay . . . . .	2,851	2,869	2,860	9
Other. . . . .	1,044	1,050	1,000	50
Total tax map . . . . .	87,004	87,540	86,352	1,188
Insurance and Pensions				
Personal services. . . . .	567,639	571,136	532,773	38,363
Contractual services . . . . .	1,045,406	1,051,845	905,039	146,806
Other. . . . .	216,581	217,915	211,996	5,919
Total insurance and pensions . . . . .	1,829,626	1,840,896	1,649,808	191,088
<b>Total general government - legislative and executive . . . . .</b>	<b>4,416,945</b>	<b>4,444,151</b>	<b>4,053,940</b>	<b>390,211</b>

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HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
<b>Judicial</b>				
Common Pleas Court				
Personal services . . . . .	\$ 178,619	\$ 179,719	\$ 169,888	\$ 9,831
Materials and supplies . . . . .	13,283	13,365	11,158	2,207
Capital outlay . . . . .	5,963	6,000	4,882	1,118
Other . . . . .	3,976	4,000	3,751	249
Total common pleas court . . . . .	<u>201,841</u>	<u>203,084</u>	<u>189,679</u>	<u>13,405</u>
Adult Probation				
Personal services . . . . .	124,234	125,000	122,702	2,298
Materials and supplies . . . . .	5,690	5,725	5,439	286
Capital outlay . . . . .	2,664	2,680	2,451	229
Total adult probation . . . . .	<u>132,588</u>	<u>133,405</u>	<u>130,592</u>	<u>2,813</u>
Law Library				
Personal services . . . . .	2,982	3,000	3,000	-
Total law library . . . . .	<u>2,982</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Juvenile Court				
Personal services . . . . .	103,386	104,023	102,698	1,325
Materials and supplies . . . . .	4,537	4,565	4,466	99
Contractual services . . . . .	88,455	89,000	53,958	35,042
Other . . . . .	1,491	1,500	1,437	63
Total juvenile court . . . . .	<u>197,869</u>	<u>199,088</u>	<u>162,559</u>	<u>36,529</u>
Probate Court				
Personal services . . . . .	66,637	67,048	66,659	389
Materials and supplies . . . . .	12,198	12,273	11,729	544
Other . . . . .	1,789	1,800	1,595	205
Total probate court . . . . .	<u>80,624</u>	<u>81,121</u>	<u>79,983</u>	<u>1,138</u>
Clerk of Courts				
Personal services . . . . .	175,665	176,747	176,710	37
Materials and supplies . . . . .	1,516	1,525	1,469	56
Contractual services . . . . .	20,336	20,461	20,461	-
Total clerk of courts . . . . .	<u>197,517</u>	<u>198,733</u>	<u>198,640</u>	<u>93</u>
County Court				
Personal services . . . . .	166,906	167,934	159,906	8,028
Materials and supplies . . . . .	17,492	17,600	17,527	73
Contractual services . . . . .	2,187	2,200	2,006	194
Other . . . . .	199	200	200	-
Total county court . . . . .	<u>186,784</u>	<u>187,934</u>	<u>179,639</u>	<u>8,295</u>
Juvenile Probation				
Personal services . . . . .	3,116	3,135	3,046	89
Materials and supplies . . . . .	3,005	3,024	2,738	286
Other . . . . .	398	400	365	35
Total juvenile probation . . . . .	<u>6,519</u>	<u>6,559</u>	<u>6,149</u>	<u>410</u>

- - Continued

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Common Pleas Jury Commission				
Personal services . . . . .	\$ 1,741	\$ 1,752	\$ 1,752	\$ -
Materials and supplies . . . . .	298	300	57	243
Total common pleas jury commission . . . . .	<u>2,039</u>	<u>2,052</u>	<u>1,809</u>	<u>243</u>
Court of Appeals				
Other . . . . .	7,454	7,500	3,312	4,188
Total court of appeals . . . . .	<u>7,454</u>	<u>7,500</u>	<u>3,312</u>	<u>4,188</u>
<b>Total general government - judicial . . . . .</b>	<b>1,016,217</b>	<b>1,022,476</b>	<b>955,362</b>	<b>67,114</b>
<b>Total general government . . . . .</b>	<b>5,433,162</b>	<b>5,466,627</b>	<b>5,009,302</b>	<b>457,325</b>
<b>Public Safety</b>				
Jail				
Personal services . . . . .	712,297	716,685	716,685	-
Materials and supplies . . . . .	3,578	3,600	3,600	-
Contractual services . . . . .	197,453	198,669	198,669	-
Capital outlay . . . . .	18,040	18,151	18,151	-
Other . . . . .	1,441	1,450	1,450	-
Total jail . . . . .	<u>932,809</u>	<u>938,555</u>	<u>938,555</u>	<u>-</u>
Coroner				
Personal services . . . . .	30,993	31,184	31,180	4
Materials and supplies . . . . .	149	150	-	150
Other . . . . .	15,263	15,357	11,661	3,696
Total coroner . . . . .	<u>46,405</u>	<u>46,691</u>	<u>42,841</u>	<u>3,850</u>
Sheriff				
Personal services . . . . .	969,944	975,917	975,917	-
Materials and supplies . . . . .	83,289	83,802	83,802	-
Contractual services . . . . .	44,274	44,547	44,547	-
Capital outlay . . . . .	60,548	60,921	60,921	-
Other . . . . .	33,624	33,831	33,831	-
Total sheriff . . . . .	<u>1,191,679</u>	<u>1,199,018</u>	<u>1,199,018</u>	<u>-</u>
<b>Total public safety . . . . .</b>	<b>2,170,893</b>	<b>2,184,264</b>	<b>2,180,414</b>	<b>3,850</b>
<b>Public Works</b>				
Highways				
Contractual services . . . . .	10	10	-	10
Other . . . . .	3,662	3,685	3,538	147
Total highways . . . . .	<u>3,672</u>	<u>3,695</u>	<u>3,538</u>	<u>157</u>
Airport				
Grant in Aid . . . . .	20,872	21,000	21,000	-
Other . . . . .	11,658	11,730	11,730	-
Total airport . . . . .	<u>32,530</u>	<u>32,730</u>	<u>32,730</u>	<u>-</u>
<b>Total Public Works . . . . .</b>	<b>36,202</b>	<b>36,425</b>	<b>36,268</b>	<b>157</b>

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HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Health</b>				
TB Clinic and Care				
Contractual services . . . . .	\$ 2,485	\$ 2,500	\$ -	\$ 2,500
Total tb clinic and care . . . . .	2,485	2,500	-	2,500
Registration Vital Statistics				
Contractual services . . . . .	994	1,000	872	128
Total registration vital statistics . . . . .	994	1,000	872	128
Other Health Department				
Contractual services . . . . .	58,255	58,614	57,114	1,500
Total other health department . . . . .	58,255	58,614	57,114	1,500
<b>Total health . . . . .</b>	<b>61,734</b>	<b>62,114</b>	<b>57,986</b>	<b>4,128</b>
<b>Human Services</b>				
Veteran's Services				
Personal services. . . . .	119,400	120,135	106,012	14,123
Materials and supplies . . . . .	21,865	22,000	12,995	9,005
Contractual services . . . . .	139,209	140,066	55,456	84,610
Capital outlay . . . . .	4,969	5,000	3,662	1,338
Other. . . . .	11,642	11,714	2,974	8,740
Total veteran's services . . . . .	297,085	298,915	181,099	117,816
Historical Services				
Grants in Aid. . . . .	6,957	7,000	7,000	-
Total historical services . . . . .	6,957	7,000	7,000	-
<b>Total human services . . . . .</b>	<b>304,042</b>	<b>305,915</b>	<b>188,099</b>	<b>117,816</b>
<b>Conservation and recreation</b>				
Agriculture Department				
Grant . . . . .	333,830	335,886	335,886	-
Other. . . . .	2,584	2,600	914	1,686
Total agriculture department . . . . .	336,414	338,486	336,800	1,686
<b>Total conservation and recreation . . . . .</b>	<b>336,414</b>	<b>338,486</b>	<b>336,800</b>	<b>1,686</b>
<b>Other</b>				
Other				
Contractual services . . . . .	15,058	15,151	-	15,151
Other. . . . .	875	880	880	-
Total other . . . . .	15,933	16,031	880	15,151
<b>Total other . . . . .</b>	<b>15,933</b>	<b>16,031</b>	<b>880</b>	<b>15,151</b>
<b>Intergovernmental. . . . .</b>	<b>220,981</b>	<b>220,981</b>	<b>220,981</b>	<b>-</b>
Total expenditures. . . . .	8,579,361	8,630,843	8,030,730	600,113
Excess of Revenues Over (Under) Expenditures . . . . .	(278,966)	(266,762)	716,276	983,038

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HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Other Financing Sources (uses):</b>				
Advances out . . . . .	(55,000)	(55,000)	(55,000)	-
Transfers out. . . . .	(837,039)	(843,895)	(933,469)	(89,574)
Total other financing sources (uses) . . . . .	<u>(892,039)</u>	<u>(898,895)</u>	<u>(988,469)</u>	<u>(89,574)</u>
Net change in fund balance . . . . .	(1,171,005)	(1,165,657)	(272,193)	893,464
<b>Fund balance at beginning of year . . . . .</b>	1,373,900	1,373,900	1,373,900	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>115,438</u>	<u>115,438</u>	<u>115,438</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 318,333</u>	<u>\$ 323,681</u>	<u>\$ 1,217,145</u>	<u>\$ 893,464</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COUNTY BOARD OF MR/DD FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Final Budget Positive (Negative)</b>
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 2,857,825	\$ 2,857,824	\$ 2,794,214	\$ (63,610)
Charges for services . . . . .	62,750	53,250	60,646	7,396
Intergovernmental . . . . .	1,652,040	1,469,659	1,607,083	137,424
Interest . . . . .	2,000	2,000	840	(1,160)
Rental income . . . . .	91,000	91,000	90,977	(23)
Other . . . . .	1,500	3,023	8,247	5,224
	<u>4,667,115</u>	<u>4,476,756</u>	<u>4,562,007</u>	<u>85,251</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	3,304,404	3,358,763	3,224,206	134,557
Materials and supplies . . . . .	241,107	245,073	198,777	46,296
Contractual services . . . . .	1,323,389	1,346,803	1,010,481	336,322
Capital outlay . . . . .	193,190	196,368	158,658	37,710
Other . . . . .	66,638	67,734	32,252	35,482
	<u>5,128,728</u>	<u>5,214,741</u>	<u>4,624,374</u>	<u>590,367</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(461,613)</u>	<u>(737,985)</u>	<u>(62,367)</u>	<u>675,618</u>
<b>Other financing sources (uses):</b>				
Transfers out . . . . .	<u>(127,449)</u>	<u>(113,731)</u>	<u>(110,000)</u>	<u>3,731</u>
Total other financing sources (uses) . . . . .	<u>(127,449)</u>	<u>(113,731)</u>	<u>(110,000)</u>	<u>3,731</u>
Net change in fund balance . . . . .	(589,062)	(851,716)	(172,367)	679,349
<b>Fund balance at beginning of year . . . . .</b>	1,943,113	1,943,113	1,943,113	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,354,051</u>	<u>\$ 1,091,397</u>	<u>\$ 1,770,746</u>	<u>\$ 679,349</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MOTOR VEHICLE LICENSE AND GAS TAX FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 42,000	\$ 42,000	\$ 33,323	\$ (8,677)
Intergovernmental . . . . .	2,986,900	2,990,000	3,164,249	174,249
Interest . . . . .	7,000	7,217	7,217	-
Other . . . . .	56,000	47,783	64,826	17,043
<b>Total revenues . . . . .</b>	<b>3,091,900</b>	<b>3,087,000</b>	<b>3,269,615</b>	<b>182,615</b>
<b>Expenditures:</b>				
Current:				
Public works				
Personal services . . . . .	674,357	670,070	478,500	191,570
Materials and supplies . . . . .	1,403,461	1,394,540	1,102,740	291,800
Contractual services . . . . .	1,881,248	1,869,290	1,440,439	428,851
Capital outlay . . . . .	704,620	700,141	190,940	509,201
Other . . . . .	363,190	360,881	262,327	98,554
<b>Total expenditures . . . . .</b>	<b>5,026,876</b>	<b>4,994,922</b>	<b>3,474,946</b>	<b>1,519,976</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(1,934,976)	(1,907,922)	(205,331)	1,702,591
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	10,000	86,526	-	(86,526)
Total other financing sources (uses) . . . . .	10,000	86,526	-	(86,526)
Net change in fund balance . . . . .	(1,924,976)	(1,821,396)	(205,331)	1,616,065
<b>Fund balance at beginning of year . . . . .</b>	<b>1,821,396</b>	<b>1,821,396</b>	<b>1,821,396</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>108,480</b>	<b>108,480</b>	<b>108,480</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 4,900</b>	<b>\$ 108,480</b>	<b>\$ 1,724,545</b>	<b>\$ 1,616,065</b>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PUBLIC ASSISTANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 2,944,897	\$ 2,440,774	\$ 2,015,639	\$ (425,135)
Other . . . . .	195,000	440,655	170,851	(269,804)
Total revenues . . . . .	<u>3,139,897</u>	<u>2,881,429</u>	<u>2,186,490</u>	<u>(694,939)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services. . . . .	1,604,262	1,604,262	943,392	660,870
Materials and supplies . . . . .	56,000	56,000	40,513	15,487
Contractual services . . . . .	815,000	815,000	660,373	154,627
Capital outlay . . . . .	50,000	50,000	47,281	2,719
Other. . . . .	1,158,144	1,158,144	511,032	647,112
Total expenditures . . . . .	<u>3,683,406</u>	<u>3,683,406</u>	<u>2,202,591</u>	<u>1,480,815</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(543,509)</u>	<u>(801,977)</u>	<u>(16,101)</u>	<u>785,876</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	50,854	550,854	97,103	(453,751)
Transfers out . . . . .	<u>(3,000)</u>	<u>(3,000)</u>	-	3,000
Total other financing sources (uses) . . . . .	<u>47,854</u>	<u>547,854</u>	<u>97,103</u>	<u>(450,751)</u>
Net change in fund balance . . . . .	(495,655)	(254,123)	81,002	335,125
<b>Fund balance at beginning of year (restated) . . . . .</b>	202,869	202,869	202,869	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ (292,786)</u>	<u>\$ (51,254)</u>	<u>\$ 283,871</u>	<u>\$ 335,125</u>



HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COUNTY HOME FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 806,276	\$ 806,276	\$ 831,131	\$ 24,855
Charges for services. . . . .	400,000	400,000	471,946	71,946
Intergovernmental . . . . .	77,365	77,365	81,411	4,046
Rentals . . . . .	22,500	22,500	37,129	14,629
Other . . . . .	7,000	7,000	8,253	1,253
	<u>1,313,141</u>	<u>1,313,141</u>	<u>1,429,870</u>	<u>116,729</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	1,142,932	1,142,932	1,063,009	79,923
Materials and supplies . . . . .	190,000	190,000	171,156	18,844
Contractual services . . . . .	108,908	108,908	88,298	20,610
Capital outlay . . . . .	63,000	63,000	32,671	30,329
Other. . . . .	8,000	8,000	6,278	1,722
	<u>1,512,840</u>	<u>1,512,840</u>	<u>1,361,412</u>	<u>151,428</u>
Total expenditures . . . . .				
	<u>1,512,840</u>	<u>1,512,840</u>	<u>1,361,412</u>	<u>151,428</u>
Net change in fund balance. . . . .	(199,699)	(199,699)	68,458	268,157
<b>Fund balance at beginning of year. . . . .</b>	250,398	250,398	250,398	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 50,699</u>	<u>\$ 50,699</u>	<u>\$ 318,856</u>	<u>\$ 268,157</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SEWER DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 652,800	\$ 752,800	\$ 880,138	\$ 127,338
Total operating revenues . . . . .	<u>652,800</u>	<u>752,800</u>	<u>880,138</u>	<u>127,338</u>
<b>Operating expenses:</b>				
Personal services. . . . .	179,499	210,058	190,720	19,338
Materials and supplies . . . . .	11,994	14,036	13,788	248
Contractual services . . . . .	210,958	246,873	167,289	79,584
Capital outlay . . . . .	42,726	50,000	38,549	11,451
Other . . . . .	1,780	2,083	1,693	390
Total operating expenses . . . . .	<u>446,957</u>	<u>523,050</u>	<u>412,039</u>	<u>111,011</u>
Operating income . . . . .	<u>205,843</u>	<u>229,750</u>	<u>468,099</u>	<u>238,349</u>
<b>Nonoperating revenue (expense):</b>				
Principal retirement. . . . .	(39,000)	(39,000)	(38,812)	188
Interest expense . . . . .	(168,174)	(203,445)	(143,507)	59,938
Total nonoperating revenue (expense). . . . .	<u>(207,174)</u>	<u>(242,445)</u>	<u>(182,319)</u>	<u>60,126</u>
Net income (loss) before advances. . . . .	(1,331)	(12,695)	285,780	298,475
Advances in . . . . .	55,000	74,371	38,551	(35,820)
Net income . . . . .	53,669	61,676	324,331	262,655
<b>Fund equity at beginning of year . . . . .</b>	634,191	634,191	634,191	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>3,544</u>	<u>3,544</u>	<u>3,544</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 691,404</u>	<u>\$ 699,411</u>	<u>\$ 962,066</u>	<u>\$ 262,655</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EAST HOLMES WATER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Operating revenues:</b>				
Charges for services . . . . .	\$ 4,100	\$ 4,100	\$ 4,444	\$ 344
Total operating revenues . . . . .	<u>4,100</u>	<u>4,100</u>	<u>4,444</u>	<u>344</u>
<b>Operating expenses:</b>				
Contractual services . . . . .	<u>4,937</u>	<u>9,393</u>	<u>8,773</u>	<u>620</u>
Total operating expenses . . . . .	<u>4,937</u>	<u>9,393</u>	<u>8,773</u>	<u>620</u>
Net income (loss) . . . . .	(837)	(5,293)	(4,329)	964
<b>Fund equity at beginning of year . . . . .</b>	9,069	9,069	9,069	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>1,377</u>	<u>1,377</u>	<u>1,377</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ 9,609</u>	<u>\$ 5,153</u>	<u>\$ 6,117</u>	<u>\$ 964</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COUNTY DISPOSAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Operating revenues:</b>				
Licenses, permits and fees. . . . .	\$ 40,000	\$ 40,000	\$ 50,453	\$ 10,453
Total operating revenues . . . . .	<u>40,000</u>	<u>40,000</u>	<u>50,453</u>	<u>10,453</u>
<b>Operating expenses:</b>				
Personal services. . . . .	50,981	50,981	48,970	2,011
Contractual services . . . . .	30,063	31,163	28,331	2,832
Other. . . . .	465	465	465	-
Total operating expenses . . . . .	<u>81,509</u>	<u>82,609</u>	<u>77,766</u>	<u>4,843</u>
Net loss before operating transfers. . . . .	(41,509)	(42,609)	(27,313)	15,296
Transfers in. . . . .	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>
Net income (loss) . . . . .	(11,509)	(12,609)	(27,313)	(14,704)
<b>Fund equity at beginning of year . . . . .</b>	61,162	61,162	61,162	-
<b>Prior year encumbrances appropriated. . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund equity at end of year . . . . .</b>	<u>\$ 49,653</u>	<u>\$ 48,553</u>	<u>\$ 33,849</u>	<u>\$ (14,704)</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DOG AND KENNEL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues:</b>				
Licenses and permits . . . . .	\$ 90,000	\$ 90,000	\$ 106,486	\$ 16,486
Other . . . . .	2,000	2,000	3,137	1,137
Total revenues . . . . .	92,000	92,000	109,623	17,623
<b>Expenditures:</b>				
Current:				
Health				
Personal services . . . . .	87,344	87,344	81,507	5,837
Materials and supplies . . . . .	4,500	4,500	3,489	1,011
Other . . . . .	9,900	9,900	8,186	1,714
Total expenditures . . . . .	101,744	101,744	93,182	8,562
Net change in fund balance . . . . .	(9,744)	(9,744)	16,441	26,185
<b>Fund balance at beginning of year . . . . .</b>	30,341	30,341	30,341	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,100	1,100	1,100	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 21,697</u>	<u>\$ 21,697</u>	<u>\$ 47,882</u>	<u>\$ 26,185</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CHILD SUPPORT ENFORCEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues:</b>				
Charges for services . . . . .	\$ 48,502	\$ 48,502	\$ 46,092	\$ (2,410)
Intergovernmental . . . . .	596,289	596,289	424,529	(171,760)
Total revenues . . . . .	644,791	644,791	470,621	(174,170)
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	264,000	264,000	252,021	11,979
Materials and supplies . . . . .	3,000	3,000	-	3,000
Contractual services . . . . .	126,000	126,000	112,684	13,316
Other . . . . .	320,034	320,034	209,813	110,221
Total expenditures . . . . .	713,034	713,034	574,518	138,516
Excess (deficiency) of revenues over (under) expenditures . . . . .	(68,243)	(68,243)	(103,897)	(35,654)
<b>Other financing sources:</b>				
Transfers in . . . . .	89,876	89,876	89,876	-
Total other financing sources . . . . .	89,876	89,876	89,876	-
Net change in fund balance . . . . .	21,633	21,633	(14,021)	(35,654)
<b>Fund balance at beginning of year . . . . .</b>	289,034	289,034	289,034	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 310,667</u>	<u>\$ 310,667</u>	<u>\$ 275,013</u>	<u>\$ (35,654)</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 REAL ESTATE ASSESSMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 326,000	\$ 326,000	\$ 330,240	\$ 4,240
Other . . . . .	250	250	8,251	8,001
Total revenues . . . . .	<u>326,250</u>	<u>326,250</u>	<u>338,491</u>	<u>12,241</u>
<b>Expenditures:</b>				
Current:				
General government - legislative and executive				
Personal services . . . . .	132,236	135,700	123,001	12,699
Materials and supplies . . . . .	12,021	12,336	10,603	1,733
Contractual services . . . . .	224,397	230,276	228,769	1,507
Other . . . . .	<u>44,436</u>	<u>45,600</u>	<u>44,779</u>	<u>821</u>
Total expenditures . . . . .	<u>413,090</u>	<u>423,912</u>	<u>407,152</u>	<u>16,760</u>
Net change in fund balance . . . . .	(86,840)	(97,662)	(68,661)	29,001
<b>Fund balance at beginning of year . . . . .</b>	249,941	249,941	249,941	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>15,390</u>	<u>15,390</u>	<u>15,390</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 178,491</u>	<u>\$ 167,669</u>	<u>\$ 196,670</u>	<u>\$ 29,001</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DELINQUENT REAL ESTATE COLLECTION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 50,000	\$ 50,000	\$ 43,376	\$ (6,624)
Total revenues. . . . .	<u>50,000</u>	<u>50,000</u>	<u>43,376</u>	<u>(6,624)</u>
<b>Expenditures:</b>				
Current:				
General government - legislative and executive				
Personal services. . . . .	26,827	45,690	45,194	496
Other. . . . .	<u>3,173</u>	<u>5,404</u>	<u>100</u>	<u>5,304</u>
Total expenditures . . . . .	<u>30,000</u>	<u>51,094</u>	<u>45,294</u>	<u>5,800</u>
Net change in fund balance . . . . .	20,000	(1,094)	(1,918)	(824)
<b>Fund balance at beginning of year . . . . .</b>	17,042	17,042	17,042	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 37,042</u>	<u>\$ 15,948</u>	<u>\$ 15,124</u>	<u>\$ (824)</u>



HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ODNR GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 45,000	\$ 45,000	\$ 44,841	\$ (159)
Total revenues. . . . .	<u>45,000</u>	<u>45,000</u>	<u>44,841</u>	<u>(159)</u>
<b>Expenditures:</b>				
Current:				
Conservation and recreation				
Personal services. . . . .	42,450	44,940	44,930	10
Other. . . . .	-	60	60	-
Total expenditures . . . . .	<u>42,450</u>	<u>45,000</u>	<u>44,990</u>	<u>10</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>2,550</u>	<u>-</u>	<u>(149)</u>	<u>(149)</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	467	467	-
Total other financing sources. . . . .	<u>-</u>	<u>467</u>	<u>467</u>	<u>-</u>
Net change in fund balance . . . . .	2,550	467	318	(149)
<b>Fund balance at beginning of year . . . . .</b>	(467)	(467)	(467)	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 2,083</u>	<u>\$ -</u>	<u>\$ (149)</u>	<u>\$ (149)</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 VICTIM'S ASSISTANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 70,106	\$ 107,304	\$ 48,420	\$ (58,884)
Total revenues . . . . .	<u>70,106</u>	<u>107,304</u>	<u>48,420</u>	<u>(58,884)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	53,762	116,594	63,868	52,726
Materials and supplies . . . . .	1,156	2,508	1,730	778
Contractual services . . . . .	2,474	5,365	5,065	300
Other . . . . .	473	1,026	331	695
Total expenditures . . . . .	<u>57,865</u>	<u>125,493</u>	<u>70,994</u>	<u>54,499</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>12,241</u>	<u>(18,189)</u>	<u>(22,574)</u>	<u>(4,385)</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	32,402	20,299	(12,103)
Total other financing sources . . . . .	<u>-</u>	<u>32,402</u>	<u>20,299</u>	<u>(12,103)</u>
Net change in fund balance . . . . .	12,241	14,213	(2,275)	(16,488)
<b>Fund balance at beginning of year . . . . .</b>	7,806	7,806	7,806	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,972	1,972	1,972	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 22,019</u>	<u>\$ 23,991</u>	<u>\$ 7,503</u>	<u>\$ (16,488)</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDIGENT GUARDIANSHIP FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 3,600	\$ 3,600	\$ 3,490	\$ (110)
Total revenues . . . . .	<u>3,600</u>	<u>3,600</u>	<u>3,490</u>	<u>(110)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Materials and supplies . . . . .	<u>5,060</u>	<u>6,060</u>	<u>5,014</u>	<u>1,046</u>
Total expenditures . . . . .	<u>5,060</u>	<u>6,060</u>	<u>5,014</u>	<u>1,046</u>
Net change in fund balance. . . . .	(1,460)	(2,460)	(1,524)	936
<b>Fund balance at beginning of year . . . . .</b>	8,452	8,452	8,452	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>60</u>	<u>60</u>	<u>60</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 7,052</u>	<u>\$ 6,052</u>	<u>\$ 6,988</u>	<u>\$ 936</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EDUCATION AND ENFORCEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures. . . . .	\$ 725	\$ 725	\$ 915	\$ 190
Total revenues. . . . .	<u>725</u>	<u>725</u>	<u>915</u>	<u>190</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Materials and supplies . . . . .	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Total expenditures . . . . .	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Net change in fund balance. . . . .	(8,275)	(8,275)	915	9,190
<b>Fund balance at beginning of year . . . . .</b>	10,505	10,505	10,505	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 2,230</u>	<u>\$ 2,230</u>	<u>\$ 11,420</u>	<u>\$ 9,190</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 HELP AMERICA VOTE ACT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental. . . . .	\$ -	\$ 6,000	\$ 6,000	\$ -
Total revenues. . . . .	-	6,000	6,000	-
Excess (deficiency) of revenues over (under) expenditures. . . . .	-	6,000	6,000	-
<b>Other financing sources:</b>				
Transfers in . . . . .	-	6,477	6,477	-
Total other financing sources. . . . .	-	6,477	6,477	-
Net change in fund balance. . . . .	-	12,477	12,477	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 12,477</u>	<u>\$ 12,477</u>	<u>\$ -</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY CORRECTIONS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 129,144	\$ 114,273	\$ (14,871)
Total revenues . . . . .	-	129,144	114,273	(14,871)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	3,280	3,280	165	3,115
Capital outlay . . . . .	125,864	125,864	114,036	11,828
Total expenditures . . . . .	129,144	129,144	114,201	14,943
Net change in fund balance. . . . .	(129,144)	-	72	72
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ (129,144)</u>	<u>\$ -</u>	<u>\$ 72</u>	<u>\$ 72</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 EMPLOYEE EXPENDED FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
General government - legislative and executive				
Personal services . . . . .	\$ 30,000	\$ 51,233	\$ 35,851	\$ 15,382
Total expenditures . . . . .	<u>30,000</u>	<u>51,233</u>	<u>35,851</u>	<u>15,382</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(30,000)</u>	<u>(51,233)</u>	<u>(35,851)</u>	<u>15,382</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	158,000	158,000
Total other financing sources . . . . .	<u>-</u>	<u>-</u>	<u>158,000</u>	<u>158,000</u>
Net change in fund balance . . . . .	(30,000)	(51,233)	122,149	173,382
<b>Fund balance at beginning of year . . . . .</b>	240,000	240,000	240,000	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 210,000</u>	<u>\$ 188,767</u>	<u>\$ 362,149</u>	<u>\$ 173,382</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CERTIFICATE TITLE ADMINISTRATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 95,000	\$ 95,000	\$ 97,125	\$ 2,125
Total revenues. . . . .	<u>95,000</u>	<u>95,000</u>	<u>97,125</u>	<u>2,125</u>
<b>Expenditures:</b>				
Current:				
General government - legislative and executive				
Other. . . . .	<u>95,000</u>	<u>95,000</u>	<u>79,999</u>	<u>15,001</u>
Total expenditures . . . . .	<u>95,000</u>	<u>95,000</u>	<u>79,999</u>	<u>15,001</u>
Net change in fund balance. . . . .	-	-	17,126	17,126
<b>Fund balance at beginning of year . . . . .</b>	6,862	6,862	6,862	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,862</u>	<u>\$ 6,862</u>	<u>\$ 23,988</u>	<u>\$ 17,126</u>



HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURTHOUSE SECURITY GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Public safety				
Capital outlay . . . . .	\$ 1,872	\$ 14,370	\$ 6,054	\$ 8,316
Total expenditures . . . . .	1,872	14,370	6,054	8,316
Net change in fund balance . . . . .	(1,872)	(14,370)	(6,054)	8,316
<b>Fund balance at beginning of year . . . . .</b>	14,370	14,370	14,370	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 12,498</u>	<u>\$ -</u>	<u>\$ 8,316</u>	<u>\$ 8,316</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FEDERAL EQUITABLE SHARING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 75,000	\$ 14,708	\$ (60,292)
Total revenues . . . . .	-	75,000	14,708	(60,292)
<b>Expenditures:</b>				
Current:				
Public safety				
Capital outlay . . . . .	-	30,662	19,558	11,104
Other . . . . .	-	3,600	1,202	2,398
Total expenditures . . . . .	-	34,262	20,760	13,502
Net change in fund balance . . . . .	-	40,738	(6,052)	(46,790)
<b>Fund balance at beginning of year . . . . .</b>	25,254	25,254	25,254	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 25,254</u>	<u>\$ 65,992</u>	<u>\$ 19,202</u>	<u>\$ (46,790)</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 YOUTHFUL IMPAIRED DRIVER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 12,000	\$ 12,000	\$ 5,867	\$ (6,133)
Total revenues . . . . .	<u>12,000</u>	<u>12,000</u>	<u>5,867</u>	<u>(6,133)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Other . . . . .	<u>12,000</u>	<u>12,000</u>	<u>3,630</u>	<u>8,370</u>
Total expenditures . . . . .	<u>12,000</u>	<u>12,000</u>	<u>3,630</u>	<u>8,370</u>
Net change in fund balance. . . . .	-	-	2,237	2,237
<b>Fund balance at beginning of year . . . . .</b>	3,526	3,526	3,526	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 3,526</u>	<u>\$ 3,526</u>	<u>\$ 5,763</u>	<u>\$ 2,237</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SCENIC BYWAYS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 9,250	\$ 9,250	\$ 9,250	\$ -
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 9,250</u>	<u>\$ 9,250</u>	<u>\$ 9,250</u>	<u>\$ -</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 197,000	\$ 183,000	\$ (14,000)
Other . . . . .	-	-	14,000	14,000
Total revenues . . . . .	-	197,000	197,000	-
<b>Expenditures:</b>				
Current:				
General government - legislative and executive				
Personal services . . . . .	-	32,198	32,198	-
Capital outlay . . . . .	-	164,802	164,802	-
Total expenditures . . . . .	-	197,000	197,000	-
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 JAIL KITCHEN FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 18,163	\$ 18,163	\$ 564	\$ (17,599)
Total revenues. . . . .	<u>18,163</u>	<u>18,163</u>	<u>564</u>	<u>(17,599)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services. . . . .	151,171	151,138	141,032	10,106
Materials and supplies . . . . .	80,156	80,156	67,966	12,190
Contractual services . . . . .	2,391	2,391	2,391	-
Other. . . . .	40	40	40	-
Total expenditures . . . . .	<u>233,758</u>	<u>233,725</u>	<u>211,429</u>	<u>22,296</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(215,595)</u>	<u>(215,562)</u>	<u>(210,865)</u>	<u>4,697</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>200,004</u>	<u>200,004</u>	<u>200,004</u>	<u>-</u>
Total other financing sources . . . . .	<u>200,004</u>	<u>200,004</u>	<u>200,004</u>	<u>-</u>
Net change in fund balance. . . . .	<u>(15,591)</u>	<u>(15,558)</u>	<u>(10,861)</u>	<u>4,697</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>45,850</u>	<u>45,850</u>	<u>45,850</u>	<u>-</u>
<b>Prior year encumbrances appropriated . . . . .</b>	<u>450</u>	<u>450</u>	<u>450</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 30,709</u>	<u>\$ 30,742</u>	<u>\$ 35,439</u>	<u>\$ 4,697</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDIGENT DRIVER ALCOHOL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 2,600	\$ 2,600	\$ 6,491	\$ 3,891
Other . . . . .	-	75	75	-
Total revenues . . . . .	<u>2,600</u>	<u>2,675</u>	<u>6,566</u>	<u>3,891</u>
<b>Expenditures:</b>				
Current:				
Human services				
Materials and supplies . . . . .	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures . . . . .	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Net change in fund balance . . . . .	(2,400)	(2,325)	6,566	8,891
<b>Fund balance at beginning of year . . . . .</b>	59,400	59,400	59,400	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 57,000</u>	<u>\$ 57,075</u>	<u>\$ 65,966</u>	<u>\$ 8,891</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 TAX MAP FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 1,700	\$ 1,700	\$ 2,538	\$ 838
Other. . . . .	5,000	5,000	1,960	(3,040)
Total revenues . . . . .	<u>6,700</u>	<u>6,700</u>	<u>4,498</u>	<u>(2,202)</u>
<b>Expenditures:</b>				
Current:				
General government - legislative and executive				
Materials and supplies . . . . .	5,447	10,000	-	10,000
Other. . . . .	26,553	48,747	22,231	26,516
Total expenditures . . . . .	<u>32,000</u>	<u>58,747</u>	<u>22,231</u>	<u>36,516</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(25,300)</u>	<u>(52,047)</u>	<u>(17,733)</u>	<u>34,314</u>
<b>Other financing sources:</b>				
Transfers in. . . . .	-	-	2,572	2,572
Total other financing sources. . . . .	<u>-</u>	<u>-</u>	<u>2,572</u>	<u>2,572</u>
Net change in fund balance. . . . .	(25,300)	(52,047)	(15,161)	36,886
<b>Fund balance at beginning of year . . . . .</b>	75,778	75,778	75,778	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 50,478</u>	<u>\$ 23,731</u>	<u>\$ 60,617</u>	<u>\$ 36,886</u>



HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROBATE COURT BUSINESS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 6,000	\$ 6,000	\$ 7,036	\$ 1,036
Intergovernmental . . . . .	68,238	68,238	66,532	(1,706)
Total revenues . . . . .	<u>74,238</u>	<u>74,238</u>	<u>73,568</u>	<u>(670)</u>
<b>Expenditures:</b>				
Current:				
General government - judicial				
Personal services. . . . .	68,238	68,238	52,006	16,232
Capital outlay . . . . .	8,000	6,613	5,409	1,204
Total expenditures . . . . .	<u>76,238</u>	<u>74,851</u>	<u>57,415</u>	<u>17,436</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(2,000)</u>	<u>(613)</u>	<u>16,153</u>	<u>16,766</u>
<b>Other financing uses:</b>				
Transfers out . . . . .	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
Total other financing uses . . . . .	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>	<u>1,000</u>
Net change in fund balance . . . . .	<u>(3,000)</u>	<u>(1,613)</u>	<u>16,153</u>	<u>17,766</u>
Fund balance at beginning of year . . . . .	84,537	84,537	84,537	-
Prior year encumbrances appropriated . . . . .	-	-	-	-
Fund balance at end of year . . . . .	<u>\$ 81,537</u>	<u>\$ 82,924</u>	<u>\$ 100,690</u>	<u>\$ 17,766</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DISASTER SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 12,825	\$ 57,431	\$ 70,011	\$ 12,580
Other . . . . .	35,000	35,000	220	(34,780)
Total revenues . . . . .	<u>47,825</u>	<u>92,431</u>	<u>70,231</u>	<u>(22,200)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	76,351	80,819	73,818	7,001
Materials and supplies . . . . .	11,964	15,300	4,609	10,691
Contractual services . . . . .	11,365	14,534	-	14,534
Capital outlay . . . . .	2,913	3,725	1,891	1,834
Other . . . . .	31,159	39,848	20,856	18,992
Total expenditures . . . . .	<u>133,752</u>	<u>154,226</u>	<u>101,174</u>	<u>53,052</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(85,927)</u>	<u>(61,795)</u>	<u>(30,943)</u>	<u>30,852</u>
<b>Other financing sources:</b>				
Transfer in . . . . .	13,801	23,321	35,000	11,679
Total other financing sources . . . . .	<u>13,801</u>	<u>23,321</u>	<u>35,000</u>	<u>11,679</u>
Net change in fund balance . . . . .	(72,126)	(38,474)	4,057	42,531
<b>Fund balance at beginning of year . . . . .</b>	72,048	72,048	72,048	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ (78)</u>	<u>\$ 33,574</u>	<u>\$ 76,105</u>	<u>\$ 42,531</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY HOUSING IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 261,500	\$ 323,781	\$ 313,215	\$ (10,566)
Other . . . . .	1,200	1,200	20,265	19,065
<b>Total revenues . . . . .</b>	<u>262,700</u>	<u>324,981</u>	<u>333,480</u>	<u>8,499</u>
<b>Expenditures:</b>				
Current:				
General government - legislative and executive				
Personal services . . . . .	149,852	164,108	164,108	-
Materials and supplies. . . . .	8,186	8,965	3,373	5,592
Contractual services. . . . .	104,462	114,400	107,743	6,657
<b>Total expenditures. . . . .</b>	<u>262,500</u>	<u>287,473</u>	<u>275,224</u>	<u>12,249</u>
Net change in fund balance . . . . .	200	37,508	58,256	20,748
<b>Fund balance at beginning of year . . . . .</b>	7,934	7,934	7,934	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,134</u>	<u>\$ 45,442</u>	<u>\$ 66,190</u>	<u>\$ 20,748</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 YOUTH SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 133,538	\$ 334,934	\$ 149,956	\$ (184,978)
Other . . . . .	75	385	453	68
Total revenues . . . . .	<u>133,613</u>	<u>335,319</u>	<u>150,409</u>	<u>(184,910)</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	77,773	204,295	134,981	69,314
Materials and supplies . . . . .	350	1,250	1,196	54
Contractual services . . . . .	43,807	115,070	38,516	76,554
Other. . . . .	2,865	7,527	3,941	3,586
Total expenditures . . . . .	<u>124,795</u>	<u>328,142</u>	<u>178,634</u>	<u>149,508</u>
Net change in fund balance. . . . .	8,818	7,177	(28,225)	(35,402)
<b>Fund balance at beginning of year . . . . .</b>	183,343	183,343	183,343	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>796</u>	<u>796</u>	<u>796</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 192,957</u>	<u>\$ 191,316</u>	<u>\$ 155,914</u>	<u>\$ (35,402)</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 RECYCLING AND LITTER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ -	\$ 33	\$ 33	\$ -
Licenses and permits. . . . .	175,000	175,000	164,626	(10,374)
Intergovernmental . . . . .	-	297,137	297,137	-
Other . . . . .	-	22,335	22,840	505
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	175,000	494,505	484,636	(9,869)
<b>Expenditures:</b>				
Current:				
Public works				
Personal services. . . . .	82,950	94,698	91,787	2,911
Materials and supplies . . . . .	12,038	13,735	12,245	1,490
Contractual services . . . . .	36,929	42,135	41,193	942
Other. . . . .	42,000	339,137	339,137	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures . . . . .	173,917	489,705	484,362	5,343
Net change in fund balance. . . . .	1,083	4,800	274	(4,526)
<b>Fund balance at beginning of year . . . . .</b>	74,047	74,047	74,047	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 75,130</u>	<u>\$ 78,847</u>	<u>\$ 74,321</u>	<u>\$ (4,526)</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 WASTEWATER TREATMENT ROTARY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Other Financing Uses:</b>				
Advances out . . . . .	\$ -	\$ 38,551	\$ 38,551	\$ -
Total other financing uses. . . . .	-	38,551	38,551	-
Net change in fund balance. . . . .	-	(38,551)	(38,551)	-
<b>Fund balance at beginning of year. . . . .</b>	38,551	38,551	38,551	-
<b>Prior year encumbrances appropriated. . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 38,551</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CHILD NEGLECT AND ABUSE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 10,213	\$ 11,203	\$ -	\$ (11,203)
Total revenues. . . . .	10,213	11,203	-	(11,203)
<b>Expenditures:</b>				
Current:				
Human services				
Other. . . . .	17,126	17,126	-	17,126
Total expenditures . . . . .	17,126	17,126	-	17,126
Excess (deficiency) of revenues over (under) expenditures . . . . .	(6,913)	(5,923)	-	5,923
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	1,500	1,500	-	(1,500)
Total other financing sources (uses) . . . . .	1,500	1,500	-	(1,500)
Net change in fund balance. . . . .	(5,413)	(4,423)	-	4,423
<b>Fund balance at beginning of year (restated) . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ (5,413)</u>	<u>\$ (4,423)</u>	<u>\$ -</u>	<u>\$ 4,423</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CHILDREN SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 256,479	\$ 474,910	\$ 471,313	\$ (3,597)
Intergovernmental . . . . .	989,484	687,046	579,038	(108,008)
Other . . . . .	10,000	96,000	85,587	(10,413)
Total revenues . . . . .	<u>1,255,963</u>	<u>1,257,956</u>	<u>1,135,938</u>	<u>(122,018)</u>
<b>Expenditures:</b>				
Current:				
Human services				
Personal services . . . . .	45,824	45,824	45,824	-
Materials and supplies . . . . .	811,511	811,511	657,877	153,634
Contractual services . . . . .	880,000	880,000	352,938	527,062
Other . . . . .	245,000	245,200	155,071	90,129
Total expenditures . . . . .	<u>1,982,335</u>	<u>1,982,535</u>	<u>1,211,710</u>	<u>770,825</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(726,372)</u>	<u>(724,579)</u>	<u>(75,772)</u>	<u>648,807</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	314,476	268,476	256,476	(12,000)
Total other financing sources . . . . .	<u>314,476</u>	<u>268,476</u>	<u>256,476</u>	<u>(12,000)</u>
Net change in fund balance. . . . .	(411,896)	(456,103)	180,704	636,807
<b>Fund balance at beginning of year (restated) . . . . .</b>	512,635	512,635	512,635	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 100,739</u>	<u>\$ 56,532</u>	<u>\$ 693,339</u>	<u>\$ 636,807</u>



HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 911 FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 600	\$ 600	\$ 2,104	\$ 1,504
Interest . . . . .	44,147	44,147	77,620	33,473
Total revenues . . . . .	<u>44,747</u>	<u>44,747</u>	<u>79,724</u>	<u>34,977</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Materials and supplies. . . . .	206	401	325	76
Contractual services. . . . .	151,600	294,898	231,342	63,556
Other. . . . .	1,594	3,101	3,101	-
Total expenditures . . . . .	<u>153,400</u>	<u>298,400</u>	<u>234,768</u>	<u>63,632</u>
Net change in fund balance. . . . .	(108,653)	(253,653)	(155,044)	98,609
<b>Fund balance at beginning of year . . . . .</b>	1,463,594	1,463,594	1,463,594	-
<b>Prior year encumbrances appropriated . . . . .</b>	15,000	15,000	15,000	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1,369,941</u>	<u>\$ 1,224,941</u>	<u>\$ 1,323,550</u>	<u>\$ 98,609</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SPECIAL PROJECTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 21,000	\$ 21,000	\$ 20,810	\$ (190)
Other . . . . .	1,000	1,000	487	(513)
Total revenues . . . . .	<u>22,000</u>	<u>22,000</u>	<u>21,297</u>	<u>(703)</u>
<b>Expenditures:</b>				
Current:				
General government - judicial				
Materials and supplies . . . . .	40,000	40,000	-	40,000
Total expenditures . . . . .	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Net change in fund balance. . . . .	(18,000)	(18,000)	21,297	39,297
<b>Fund balance at beginning of year . . . . .</b>	105,779	105,779	105,779	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 87,779</u>	<u>\$ 87,779</u>	<u>\$ 127,076</u>	<u>\$ 39,297</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 TRANSPORTATION COORDINATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 116,080	\$ 116,080	\$ 243,311	\$ 127,231
Intergovernmental . . . . .	117,500	304,000	177,904	(126,096)
Total revenues . . . . .	<u>233,580</u>	<u>420,080</u>	<u>421,215</u>	<u>1,135</u>
<b>Expenditures:</b>				
Current:				
Public works				
Personal services. . . . .	159,288	340,110	340,110	-
Materials and supplies . . . . .	32,987	70,434	70,434	-
Contractual services . . . . .	21,931	46,826	46,826	-
Capital outlay . . . . .	17,483	37,329	37,329	-
Other. . . . .	2,004	4,278	4,278	-
Total expenditures . . . . .	<u>233,693</u>	<u>498,977</u>	<u>498,977</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(113)</u>	<u>(78,897)</u>	<u>(77,762)</u>	<u>1,135</u>
<b>Other financing sources:</b>				
Advances in . . . . .	-	55,000	55,000	-
Transfers in . . . . .	-	25,000	25,000	-
Total other financing sources . . . . .	<u>-</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Net change in fund balance. . . . .	(113)	1,103	2,238	1,135
<b>Fund balance at beginning of year . . . . .</b>	32,020	32,020	32,020	-
<b>Prior year encumbrances appropriated . . . . .</b>	112	112	112	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 32,019</u>	<u>\$ 33,235</u>	<u>\$ 34,370</u>	<u>\$ 1,135</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DOMESTIC VIOLENCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 4,900	\$ 7,010	\$ 8,136	\$ 1,126
Total revenues . . . . .	<u>4,900</u>	<u>7,010</u>	<u>8,136</u>	<u>1,126</u>
<b>Expenditures:</b>				
Current:				
Human Services				
Contractual services . . . . .	<u>-</u>	<u>10,413</u>	<u>8,133</u>	<u>2,280</u>
Total expenditures . . . . .	<u>-</u>	<u>10,413</u>	<u>8,133</u>	<u>2,280</u>
Net change in fund balance . . . . .	4,900	(3,403)	3	3,406
<b>Fund balance at beginning of year . . . . .</b>	3,403	3,403	3,403	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,303</u>	<u>\$ -</u>	<u>\$ 3,406</u>	<u>\$ 3,406</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DEBT SERVICE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 420,000	\$ 420,000	\$ 420,000	\$ -
Rental income . . . . .	139,000	139,000	149,731	10,731
Total revenues . . . . .	<u>559,000</u>	<u>559,000</u>	<u>569,731</u>	<u>10,731</u>
<b>Expenditures:</b>				
Debt Service				
Principal retirement . . . . .	283,000	283,000	283,000	-
Interest and fiscal charges . . . . .	292,748	292,748	292,748	-
Total expenditures . . . . .	<u>575,748</u>	<u>575,748</u>	<u>575,748</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(16,748)</u>	<u>(16,748)</u>	<u>(6,017)</u>	<u>10,731</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>30,683</u>	<u>50,054</u>	<u>33,683</u>	<u>(16,371)</u>
Total other financing sources . . . . .	<u>30,683</u>	<u>50,054</u>	<u>33,683</u>	<u>(16,371)</u>
Net change in fund balance . . . . .	13,935	33,306	27,666	(5,640)
<b>Fund balance at beginning of year . . . . .</b>	70,616	70,616	70,616	-
<b>Prior year encumbrances appropriated . . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 84,551</u>	<u>\$ 103,922</u>	<u>\$ 98,282</u>	<u>\$ (5,640)</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MENTAL RETARDATION CAPITAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ -	\$ -	\$ 1,148	\$ 1,148
Total revenues . . . . .	<u>-</u>	<u>-</u>	<u>1,148</u>	<u>1,148</u>
<b>Expenditures:</b>				
Capital Outlay				
Capital outlay . . . . .	145,398	145,398	5,926	139,472
Total expenditures . . . . .	<u>145,398</u>	<u>145,398</u>	<u>5,926</u>	<u>139,472</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(145,398)</u>	<u>(145,398)</u>	<u>(4,778)</u>	<u>140,620</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	110,000	110,000	110,000	-
Total other financing sources. . . . .	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>	<u>-</u>
Net change in fund balance. . . . .	(35,398)	(35,398)	105,222	140,620
<b>Fund balance at beginning of year . . . . .</b>	89,398	89,398	89,398	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 54,000</u>	<u>\$ 54,000</u>	<u>\$ 194,620</u>	<u>\$ 140,620</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CAPITAL IMPROVEMENTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Sales taxes . . . . .	\$ 144,000	\$ 147,585	\$ 144,000	\$ (3,585)
Interest . . . . .	7,000	7,000	689	(6,311)
Other. . . . .	2,000	115,351	6,332	(109,019)
	<u>153,000</u>	<u>269,936</u>	<u>151,021</u>	<u>(118,915)</u>
<b>Expenditures:</b>				
Capital Outlay				
Capital outlay . . . . .	125,512	243,012	204,970	38,042
	<u>125,512</u>	<u>243,012</u>	<u>204,970</u>	<u>38,042</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	27,488	26,924	(53,949)	(80,873)
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	8,512	8,512	8,512	-
	<u>8,512</u>	<u>8,512</u>	<u>8,512</u>	<u>-</u>
Net change in fund balance. . . . .	36,000	35,436	(45,437)	(80,873)
<b>Fund balance at beginning of year (restated). . . .</b>	133,275	133,275	133,275	-
<b>Prior year encumbrances appropriated. . . . .</b>	-	-	-	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 169,275</u>	<u>\$ 168,711</u>	<u>\$ 87,838</u>	<u>\$ (80,873)</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LANDFILL CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fund balance at beginning of year . . . . .</b>	\$ 10,476	\$ 10,476	\$ 10,476	\$ -
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>Fund balance at end of year . . . . .</b>	<u>\$ 10,476</u>	<u>\$ 10,476</u>	<u>\$ 10,476</u>	<u>\$ -</u>



HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CAPITAL COMPUTERIZATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 58,870	\$ 58,870	\$ 64,487	\$ 5,617
Interest . . . . .	-	525	564	39
Other . . . . .	9,000	9,012	11,523	2,511
	<u>67,870</u>	<u>68,407</u>	<u>76,574</u>	<u>8,167</u>
<b>Expenditures:</b>				
Current:				
Capital Outlay				
Capital outlay . . . . .	111,864	154,230	105,300	48,930
	<u>111,864</u>	<u>154,230</u>	<u>105,300</u>	<u>48,930</u>
Total expenditures . . . . .				
	<u>111,864</u>	<u>154,230</u>	<u>105,300</u>	<u>48,930</u>
Net change in fund balance . . . . .	(43,994)	(85,823)	(28,726)	57,097
<b>Fund balance at beginning of year . . . . .</b>	202,475	202,475	202,475	-
<b>Prior year encumbrances appropriated . . . . .</b>	499	499	499	-
	<u>202,974</u>	<u>202,974</u>	<u>202,974</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 158,980</u>	<u>\$ 117,151</u>	<u>\$ 174,248</u>	<u>\$ 57,097</u>

HOLMES COUNTY, OHIO

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 RECORDER'S EQUIPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 30,000	\$ 30,000	\$ 29,500	\$ (500)
Other . . . . .	-	7,918	7,918	-
Total revenues . . . . .	<u>30,000</u>	<u>37,918</u>	<u>37,418</u>	<u>(500)</u>
<b>Expenditures:</b>				
Capital Outlay				
Capital outlay . . . . .	<u>34,500</u>	<u>43,259</u>	<u>37,331</u>	<u>5,928</u>
Total expenditures. . . . .	<u>34,500</u>	<u>43,259</u>	<u>37,331</u>	<u>5,928</u>
Net change in fund balance. . . . .	(4,500)	(5,341)	87	5,428
<b>Fund balance at beginning of year. . . . .</b>	18,638	18,638	18,638	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	
<b>Fund balance at end of year . . . . .</b>	<u>\$ 15,638</u>	<u>\$ 14,797</u>	<u>\$ 20,225</u>	<u>\$ 5,428</u>

**HOLMES COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ISSUE II FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ -	\$ 199,743	\$ 114,773	\$ (84,970)
Total revenues . . . . .	<u>-</u>	<u>199,743</u>	<u>114,773</u>	<u>(84,970)</u>
<b>Expenditures:</b>				
Capital Outlay				
Capital outlay . . . . .	-	199,743	114,773	84,970
Total expenditures . . . . .	<u>-</u>	<u>199,743</u>	<u>114,773</u>	<u>84,970</u>
Net change in fund balance. . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	-	-	-	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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## STATISTICAL SECTION

The following statistical tables reflect social and economic data, financial trends and fiscal capacity of the County.

HOLMES COUNTY, OHIO

GOVERNMENTAL FUND REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION \*  
LAST TEN YEARS

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Taxes	\$ 9,659,393	\$ 8,915,703	\$ 7,792,435	\$ 7,412,426
Charges for Services	3,383,268	2,767,583	3,010,099	3,412,975
Licenses and Permits	349,805	181,563	176,104	229,542
Fines and Forfeitures	206,069	365,747	337,478	226,374
Intergovernmental	11,659,357	9,692,574	10,924,701	11,611,980
Interest	312,680	443,219	727,070	881,550
Contributions and Donations	41,148	54,437	55,429	44,098
Rentals	227,070	52,198	49,931	56,367
Other	<u>889,009</u>	<u>982,964</u>	<u>2,310,329</u>	<u>780,581</u>
Total Revenues	<u>\$ 26,727,799</u>	<u>\$ 23,455,988</u>	<u>\$ 25,383,576</u>	<u>\$ 24,655,893</u>
General Government:				
Legislative and Executive	\$ 3,626,437	\$ 3,774,518	\$ 4,860,897	\$ 3,717,996
Judicial	1,597,405	1,249,785	1,038,722	1,319,260
Public Safety	4,155,483	2,993,221	2,484,096	2,823,469
Public Works	4,354,476	3,484,923	3,920,469	3,162,113
Health	153,368	142,226	141,375	126,965
Human Services	10,811,320	10,017,667	11,175,724	10,427,129
Conservation and Recreation	416,699	383,566	356,461	352,149
Other	880	-	-	-
Capital Outlay	457,006	820,433	1,313,245	1,996,047
Intergovernmental	220,981	221,316	399,602	217,344
Debt Service	<u>610,215</u>	<u>-</u>	<u>10,475</u>	<u>190,015</u>
Total Expenditures	<u>\$ 26,404,270</u>	<u>\$ 23,087,655</u>	<u>\$ 25,701,066</u>	<u>\$ 24,332,487</u>

\* Amounts for year 2003 include all governmental funds (both major and nonmajor). Amounts for years 2002 and prior include General, Special Revenue, and Capital Projects Funds.

Source: Holmes County Auditor

1999	1998	1997	1996	1995	1994
\$ 7,201,077	\$ 6,767,091	\$ 7,146,650	\$ 6,838,549	\$ 6,575,465	\$ 6,205,302
3,288,293	2,957,982	2,735,017	2,283,348	2,530,573	2,020,279
103,414	80,879	96,695	113,730	97,823	128,531
285,717	285,153	253,483	142,185	148,546	71,686
10,535,452	9,251,639	8,472,586	6,983,455	7,193,639	8,234,364
668,613	601,051	531,718	480,039	460,525	353,908
149,035	304,103	-	-	-	-
39,545	46,228	78,023	63,997	68,971	131,076
817,155	805,901	510,402	1,470,772	842,915	572,570
<u>\$ 23,088,301</u>	<u>\$ 21,100,027</u>	<u>\$ 19,824,574</u>	<u>\$ 18,376,075</u>	<u>\$ 17,918,457</u>	<u>\$ 17,717,716</u>
\$ 3,953,343	\$ 3,232,315	\$ 3,347,647	\$ 3,541,989	\$ 2,896,653	\$ 2,468,167
1,337,266	1,257,178	1,117,124	820,592	562,244	548,762
2,491,039	2,547,591	2,253,933	2,429,037	2,605,770	1,730,906
2,983,628	2,844,067	2,681,447	3,096,336	2,720,178	2,768,693
118,637	119,974	119,241	120,249	98,028	84,859
8,942,845	8,451,089	7,368,522	6,383,471	6,003,764	5,809,128
383,325	252,591	198,849	280,295	220,604	242,323
-	-	-	-	1,061,782	594,054
1,481,756	651,773	2,339,437	905,035	847,958	4,537,331
199,637	212,702	135,285	-	-	-
11,388	12,484	12,480	373,970	309,615	212,832
<u>\$ 21,902,864</u>	<u>\$ 19,581,764</u>	<u>\$ 19,573,965</u>	<u>\$ 17,950,974</u>	<u>\$ 17,326,596</u>	<u>\$ 18,997,055</u>

**HOLMES COUNTY, OHIO**

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)  
LAST TEN FISCAL YEARS

<b>Collection Year</b>	<b>Real Property</b>		<b>Personal Property</b>	
	<b>Assessed Value</b>	<b>Actual Value</b>	<b>Assessed Value</b>	<b>Actual Value</b>
2003	\$ 527,192,450	\$ 1,506,264,143	\$ 93,232,620	\$ 372,930,480
2002	508,176,530	1,451,932,943	97,525,080	390,100,320
2001	459,501,280	1,312,860,800	94,995,000	379,980,000
2000	444,440,590	1,269,830,257	90,085,880	360,343,520
1999	434,148,300	1,240,423,714	86,891,610	347,566,440
1998	356,106,550	1,017,447,286	80,618,640	322,474,560
1997	346,194,070	989,125,914	72,988,730	291,954,920
1996	333,072,990	951,637,114	69,326,670	277,306,680
1995	289,674,830	827,642,371	62,377,900	249,511,600
1994	274,129,900	783,228,286	53,294,390	213,177,560

Source: Holmes County Auditor

- (1) The estimated actual values of taxable property are calculated using the following percentages:  
 Real property is assessed at thirty-five percent of actual value  
 Public utility property is assessed at eighty-eight percent of actual value  
 Tangible personal property is assessed at twenty-five percent of true value



<b>Public Utility Property</b>		<b>Total</b>		<b>Ratio of Assessed to Actual Value</b>
<b>Assessed Value</b>	<b>Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	
\$ 26,396,010	\$ 29,995,466	\$ 646,821,080	\$ 1,909,190,089	33.88%
26,123,690	29,686,011	631,825,300	1,871,719,274	33.76%
31,050,470	35,284,625	585,546,750	1,728,125,425	33.88%
30,901,320	35,115,136	565,427,790	1,665,288,913	33.95%
32,552,060	36,990,977	553,591,970	1,624,981,131	34.07%
33,131,020	37,648,886	469,856,210	1,377,570,732	34.11%
31,957,120	36,314,909	451,139,920	1,317,395,743	34.24%
34,606,030	39,325,034	437,005,690	1,268,268,828	34.46%
34,574,300	39,288,977	386,627,030	1,116,442,948	34.63%
35,255,710	40,063,307	362,680,000	1,036,469,153	34.99%

**HOLMES COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS - REAL AND PUBLIC UTILITY TAXES  
LAST TEN FISCAL YEARS

<b>Collection Year</b>	<b>Total Tax Levy (1)</b>	<b>Current Taxes Collected</b>	<b>Percent of Current Taxes Collected</b>	<b>Delinquent Taxes Collected</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collections to Current Levy</b>	<b>Outstanding Delinquent Taxes (2)</b>	<b>Ratio of Delinquent Taxes to Total Tax Levy</b>
2003	\$ 5,033,563	\$ 4,923,966	97.82%	\$ 140,536	\$ 5,064,502	100.61%	\$ 100,123	1.99%
2002	4,859,108	4,760,267	97.97%	115,197	4,875,464	100.34%	98,521	2.03%
2001	4,138,311	4,053,472	97.95%	78,199	4,131,671	99.84%	78,400	1.89%
2000	3,873,959	3,768,637	97.28%	85,137	3,853,774	99.48%	56,801	1.47%
1999	3,787,965	3,728,243	98.42%	71,257	3,799,500	100.30%	83,360	2.20%
1998	3,140,391	3,111,527	99.08%	71,257	3,182,784	101.35%	79,194	2.52%
1997	3,065,229	2,867,235	93.54%	78,508	2,945,743	96.10%	164,116	5.35%
1996	2,992,090	2,917,949	97.52%	68,682	2,986,631	99.82%	848,438	28.36%
1995	2,766,953	2,692,903	97.32%	81,537	2,774,440	100.27%	697,938	25.22%
1994	2,770,860	2,540,016	91.67%	89,359	2,629,375	94.89%	518,799	18.72%

(1) Does not include State reimbursements for homestead and rollback exemptions.

(2) This amount cannot be calculated based on the information in this statistical table because of retroactive additions and deletions which are brought on in one lump sum. Penalties and interest are included, since by the Ohio law they become part of the tax obligation.

Source: Holmes County Auditor

**HOLMES COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUE)  
LAST TEN FISCAL YEARS

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
<b>County Units:</b>										
General Fund	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25
County Home	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Mental Health	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Training Center	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80
Total	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>	<u>12.55</u>
<b>School Districts within the County:</b>										
East Holmes LSD	26.65	26.85	26.40	26.40	26.40	26.70	27.45	27.75	27.90	28.65
West Holmes LSD	33.80	34.10	36.10	36.10	36.10	36.30	37.60	37.70	32.10	32.60
<b>Overlapping School Districts:</b>										
Danville LSD	44.60	44.60	41.00	41.00	41.00	41.00	41.00	42.00	42.00	42.00
Garaway LSD	44.60	44.60	44.80	44.80	44.80	44.80	45.20	44.20	44.20	44.30
Loudonville-Perrysville EVSD	35.00	35.60	35.70	35.70	35.70	36.40	36.80	37.10	37.40	37.90
Southeast LSD	46.15	46.15	47.05	47.05	47.05	48.30	48.30	41.60	41.90	41.90
Triway LSD	44.20	45.20	42.20	42.20	42.20	42.20	42.20	42.20	42.20	42.20
<b>Overlapping Joint Vocational Schools:</b>										
Wayne County	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Buckeye	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80
Knox County	6.40	4.10	4.10	4.10	4.10	4.10	6.40	6.40	6.40	6.40
Ashland West Holmes	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
<b>Villages:</b>										
Baltic	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	9.20	6.20
Glenmont	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Wayne	n/a	11.80	11.90	11.90	11.20	11.20	11.20	11.20	11.20	10.80
York	n/a	6.90	6.90	6.90	6.90	6.90	6.90	6.90	5.90	5.90
Holmesville	3.50	3.50	3.50	3.50	3.50	3.50	1.50	2.50	2.50	2.50
Killbuck	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30	8.30
Millersburg	6.60	6.60	6.60	6.60	6.60	6.60	6.60	6.60	6.60	6.60
Nashville	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	3.60	3.60
<b>Overlapping Villages:</b>										
Loudonville	11.80	11.80	11.80	11.80	11.80	11.80	11.80	11.80	11.80	11.80

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**HOLMES COUNTY, OHIO**

PROPERTY TAX RATE - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUE) - CONTINUED  
LAST TEN FISCAL YEARS

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
<b>Townships:</b>										
Berlin	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	6.55
Clark	4.60	4.60	4.60	4.60	4.60	4.60	4.60	4.60	5.35	5.35
Hardy	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10	2.10
Killbuck	6.65	6.65	6.65	6.65	6.65	6.65	6.65	5.40	5.40	5.40
Knox	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Mechanic	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10
Monroe	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Paint	7.10	7.10	6.60	6.60	6.60	6.60	4.60	4.60	4.60	4.60
Prairie	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10
Richland	7.60	7.60	7.60	7.60	7.60	7.60	7.60	7.60	7.60	7.60
Ripley	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
Saltcreek	5.60	5.60	5.60	5.60	5.60	5.60	4.60	6.60	6.60	6.10
Walnutcreek	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	4.60
Washington	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10
<b>Special Districts:</b>										
Fire District #1	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Park District	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Western Holmes Fire District	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
Knox County Library	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Clark Twp. Fire Department	2.00	2.00	2.00	2.00	2.00	1.75	1.75	1.75	-	-
East Holmes Fire & EMS District	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-	-

Source: Holmes County Auditor

**HOLMES COUNTY, OHIO**

**TANGIBLE TAX COLLECTIONS  
LAST TEN YEARS**

<u>Year</u>	<u>Amount</u>
2003	\$ 1,187,402
2002	1,262,797
2001	1,192,656
2000	1,106,852
1999	1,131,669
1998	986,484
1997	914,804
1996	893,023
1995	829,833
1994	677,729

Source: Holmes County Auditor

**HOLMES COUNTY, OHIO**

COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2003

	<b>Total Voted Debt Limit (1)</b>	<b>Total Unvoted Debt Limit (2)</b>
Assessed Valuation of the County Collection Year 2003 (3)	\$ 646,821,080	\$ 646,821,080
Debt Limitation	14,670,527	6,468,211
Total Outstanding Debt:		
General Obligation Bonds	5,322,000	5,322,000
Revenue Bonds	3,769,835	3,769,835
Total	9,091,835	9,091,835
Exemptions:		
General Obligations Bonds Paid from Rentals	1,375,000	1,375,000
General Obligations Bonds for Jail Construction	2,267,000	2,267,000
Enterprise Bonds	3,769,835	3,769,835
Amount Available in Debt Service Fund	133,282	133,282
Total Exemptions	7,545,117	7,545,117
Net Debt	1,546,718	1,546,718
Total Legal Debt Margin (Debt Limitation Minus Net Debt)	\$ 13,123,809	\$ 4,921,493

- (1) The Debt Limitation is calculated as follows:  
    3% of first \$100,000,000 of assessed value  
    1 1/2% of next \$200,000,000 of assessed value  
    2 1/2% of amount of assessed value in excess of \$300,000,000  
(2) The Debt Limitation equals 1% of assessed value  
(3) Includes CAUV reduced values

Note- Does not include capital leases

Source: Holmes County Auditor

**HOLMES COUNTY, OHIO**

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE  
AND NET GENERAL BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS

<b>Year</b>	<b>Estimated Population</b>	<b>Assessed Value</b>	<b>Gross Bonded Debt</b>	<b>Debt Service Monies Available</b>	<b>Debt Payable from Enterprise Revenues</b>	<b>Net General Bonded Debt</b>	<b>Ratio of Debt to Assessed Value</b>	<b>Net General Bonded Debt Per Capita</b>
2003	38,943	\$ 646,821,080	\$ 9,091,835	\$ 133,282	\$ 3,769,835	\$ 5,188,718	0.80%	\$ 133.24
2002	38,943	631,825,300	9,757,085	103,492	4,152,085	5,501,508	0.87%	141.27
2001	38,943	585,546,750	10,574,000	170,582	4,698,000	5,705,418	0.97%	146.51
2000	38,943	565,427,790	10,913,000	142,934	4,774,000	5,996,066	1.06%	153.97
1999	38,295	553,591,970	11,225,000	97,600	4,846,000	6,281,400	1.13%	164.03
1998	37,841	469,856,210	11,527,300	83,150	4,915,300	6,528,850	1.39%	172.53
1997	37,373	451,139,920	9,412,000	53,257	4,980,000	4,378,743	0.97%	117.16
1996	32,849	437,005,690	6,575,000	42,529	2,040,000	4,492,471	1.03%	136.76
1995	32,849	386,627,030	6,712,000	39,391	2,076,000	4,596,609	1.19%	139.93
1994	32,849	362,680,000	4,810,000	-	2,110,000	2,700,000	0.74%	82.19

Source: Holmes County Auditor

- (1) Information obtained from Holmes County Regional Planning Commission
- (2) 1994 was the first year Holmes County issued long-term general obligation bonded debt

**HOLMES COUNTY, OHIO**

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL  
OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS

Year	Principal	Interest and Fiscal Charges	Total Debt Service	Governmental Fund Expenditures	Ratio of Debt Service to Total General Fund Expenditures
2003	\$ 283,000	\$ 292,748	\$ 575,748	\$ 26,404,270	2.18%
2002	271,000	383,089	654,089	23,087,655	2.83%
2001	263,000	317,171	580,171	25,701,066	2.26%
2000	240,000	328,032	568,032	24,332,487	2.33%
1999	233,000	338,480	571,480	21,902,864	2.61%
1998	220,000	330,202	550,202	19,581,764	2.81%
1997	103,000	244,615	347,615	19,573,965	1.78%
1996	101,000	249,107	350,107	17,950,974	1.95%
1995	39,000	172,772	211,772	17,326,596	1.22%
1994	-	-	-	18,997,055	0.00%

Source: Holmes County Auditor

(1) 1994 was the first year Holmes County issued long-term general obligation bonded debt



**HOLMES COUNTY, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT  
DECEMBER 31, 2003

<u>Jurisdiction</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to County (1)</u>	<u>Amount Applicable to County</u>
<b>Direct:</b>			
Holmes County	\$ 5,322,000	100.00%	\$ 5,322,000
<b>Overlapping:</b>			
Village of Loudonville	894,023	24.10%	215,460
Garaway School District	1,475,000	2.16%	31,860
Southeast School District	310,000	18.91%	58,621
Total Overlapping	<u>2,679,023</u>		<u>305,941</u>
Total	<u><u>8,001,023</u></u>		<u><u>\$ 5,627,941</u></u>

Source: Holmes County Auditor

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the County by the total assessed valuation of the subdivision.

(2) School district data is presented on a fiscal year basis because that is the manner in which the information is maintained.

HOLMES COUNTY, OHIO

REVENUE BOND COVERAGE  
LAST TEN YEARS (1)

Year	Gross Revenue (2)	Operating Expenses Net of Depreciation Expense	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
Sewer District Enterprise Fund							
2003	\$ 913,524	\$ 375,253	\$ 538,271	\$ 32,000	\$ 142,050	\$ 174,050	3.09
2002	889,662	747,582	142,080	30,000	155,375	185,375	0.77
2001	562,648	302,920	259,728	28,000	210,887	238,887	1.09
2000	610,872	240,806	370,066	27,000	146,300	173,300	2.14
1999	646,252	431,506	214,746	26,000	147,600	173,600	1.24
1998	557,954	410,479	147,475	25,000	145,919	170,919	0.86
Joel Pomerene Hospital Enterprise Fund							
2003	\$24,116,090	\$ 20,859,165	\$ 3,256,925	\$ 350,250	\$ 77,256	\$ 427,506	7.62
2002	22,356,337	19,073,710	3,282,627	515,915	107,863	623,778	5.26
2001	18,993,566	16,789,333	2,204,233	48,000	121,299	169,299	13.02
2000	16,895,444	15,291,494	1,603,950	47,000	112,800	159,800	10.04
1999	16,994,498	15,197,119	1,797,379	43,000	115,328	158,328	11.35
1998	16,022,835	14,121,805	1,901,030	40,000	115,326	155,326	12.24
1997	15,397,291	13,093,266	2,304,025	37,000	119,850	156,850	14.69
1996	12,592,529	11,357,008	1,235,521	36,000	137,543	173,543	7.12
1995	11,367,399	10,398,314	969,085	34,000	141,320	175,320	5.53
1994	10,917,559	9,820,972	1,096,587	32,000	125,963	157,963	6.94

Source: Holmes County Auditor

(1) 1998 was the first year debt service payments were made on the sewer revenue bond.

(2) Includes operating revenues and interest income.

**HOLMES COUNTY, OHIO**

DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rate (3)</u>
2003	38,943	4,661	2.80%
2002	38,943	4,635	3.60%
2001	38,943	4,580	2.40%
2000	38,943	4,616	2.40%
1999	38,295	4,606	2.40%
1998	37,841	4,640	3.40%
1997	37,373	4,745	3.30%
1996	32,849	4,752	3.70%
1995	32,849	4,708	3.20%
1994	32,849	4,634	3.30%

Sources: (1) U.S. Census Bureau, Federal 2000  
(2) Tri-County Educational Service Center  
(3) Ohio Department of Job and Family

**HOLMES COUNTY, OHIO**

CONSTRUCTION, BANK DEPOSITS, AND PROPERTY VALUES  
LAST TEN YEARS

Year	New Construction			Real Property Value (1)			Bank Deposits (2)
	Agricultural/ Residential	Commercial/ Industrial	Total New Construction	Agricultural/ Residential	Commercial/ Industrial	Tax Exempt	
2003	\$ 13,942,290	\$ 3,856,080	\$ 17,798,370	\$ 438,241,870	\$ 84,978,790	\$ 34,415,610	\$ 513,300
2002	12,270,820	2,365,980	14,636,800	424,208,720	80,771,420	34,166,210	501,242
2001	12,425,850	4,038,620	16,464,470	381,349,720	74,258,490	29,950,190	510,726
2000	9,259,980	2,150,950	11,410,930	368,129,320	71,573,810	29,385,830	475,000
1999	9,628,550	1,051,610	10,680,160	358,679,900	69,687,480	24,524,040	458,339
1998	10,228,720	1,423,580	11,652,300	284,539,640	65,359,310	22,345,330	430,886
1997	10,639,870	3,551,870	14,191,740	275,756,210	63,882,910	20,197,600	418,105
1996	9,664,740	4,593,400	14,258,140	264,728,830	61,152,370	19,520,950	383,844
1995	8,706,240	5,033,120	13,739,360	224,817,470	56,467,470	19,321,730	359,973
1994	6,502,860	3,712,100	10,214,960	215,722,730	51,506,880	18,643,090	327,728

Sources Holmes County Auditor  
Federal Reserve Bank - Cleveland, Ohio

- (1) Does not include land and mineral rights.
- (2) Bank Deposits are in Thousands

HOLMES COUNTY, OHIO

PRINCIPAL TAXPAYERS- PROPERTY TAX  
DECEMBER 31, 2003

<u>Taxpayer</u>	<u>Type</u>	<u>Assessed Valuation</u>	<u>Percent of Total County Assessed Valuation</u>
Columbia Gas	Public Utility	\$ 8,035,480	1.24%
Wayne Dalton Corp	Manufacturer	6,987,360	1.08%
Owens Illinois	Business	6,595,830	1.02%
Ohio Power Company	Public Utility	5,693,710	0.88%
Wayne Door Corp.	Manufacturer	4,928,830	0.76%
Holmes Wayne Electric	Public Utility	4,632,960	0.72%
Keim Lumber	Business	3,565,040	0.55%
United Telephone Company	Public Utility	3,459,650	0.53%
Gemi Holdings	Business	3,215,750	0.50%
Wal-Mart Stores	Business	<u>3,373,910</u>	<u>0.52%</u>
Total		<u>\$ 50,488,520</u>	<u>7.80%</u>
Total County Assessed Valuation		<u>\$ 646,821,080</u>	

Source: Holmes County Auditor

**HOLMES COUNTY, OHIO**

MISCELLANEOUS STATISTICS

DECEMBER 31, 2003

**Year of Incorporation** 1825  
 1,729 Largest County in the United States (3,141 Counties in U.S.)  
 County Seat: Millersburg, Ohio

**Agriculture (3):**  
 Number of Farms 1,610  
 Average Size of Farm (Acres) 111  
 Land in Farms (Acres) 178,000

Area- Square Miles 424

**Livestock (Head):**  
 All Cattle 41,700  
 Milk Cows 16,100  
 Hogs and Pigs 27,000  
 Sheep and Lambs 2,400

**Number of Political Subdivisions Located in the County:**

Townships 14  
 Villages 7  
 School Districts 7  
 Joint Vocational Schools 4  
 Library 1  
 Fire Districts 4  
 Park Districts 1

**Crops (Acres):**  
 Corn 15,100  
 Wheat 2,900  
 Soybeans 11,300  
 Oats 6,300  
 Hay 44,800

**Road Mileage (1):**

U.S. and State Highways 174.44  
 County Highways 249.87  
 Township Highways 567.13

**Agricultural Sales (2003 Data)**  
 Poultry/Other Livestock Income \$ 37,302,000  
 Total Cash Farm Marketing \$ 85,680,000  
 Average Cash Receipts per Farm \$ 53,218  
 Average Cash Marketings per Acre \$ 481

**Communications:**

1 Radio Station - WKLM 95.3 FM  
 2 Weekly Newspapers - Holmes Co. Hub &  
 Holmes County Journal

Average age of farm operator 47.2 years

**Voter Statistics, Election of November 2003 (2):**

Number of Registered Voters 16,509  
 Number of Voters, Last General Election 4,944  
 Percentage of Registered Voters Voting 29.95%

Holmes County sold 237,600,000 pounds of milk in 2003.

Sources:

- (1) Holmes County Engineer
  - (2) Holmes County Board of Elections
  - (3) Holmes County Ohio State University Extension
- All other information obtained from County Records.



**Auditor of State  
Betty Montgomery**

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Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

## **HOLMES COUNTY FINANCIAL CONDITION**

### **HOLMES COUNTY**

#### **CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 14, 2004**